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Johnson County

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THIS PAGE IS PART OF THE INSTRUMENT



I hereby certify that this instrument was filed on the date and time stamped hereon and was duly recorded in the Volume and Page of the named records in Johnson County, Texas.

Any provision herein which restricts the sale, rental or use of the described Real Estate because of color race is invalid and unenforceable under Federal law.

BECKY IVEY, COUNTY CLERK
JOHNSON COUNTY, TEXAS

AFTER RECORDING, PLEASE RETURN TO:

**Judd A. Austin, Jr.
Henry Oddo Austin & Fletcher, P.C.
1700 Pacific Avenue
Suite 2700
Dallas, Texas 75201**

**CERTIFICATE AND MEMORANDUM OF RECORDING OF
DEDICATORY INSTRUMENTS
FOR
MILL VALLEY COMMUNITY ASSOCIATION, INC.**

STATE OF TEXAS §
 §
COUNTIES OF ELLIS §
AND JOHNSON §

The undersigned, as attorney for Mill Valley Community Association, Inc., for the purpose of complying with Section 202.006 of the Texas Property Code and to provide public notice of the following dedicatory instruments affecting the owners of property described on Exhibit B attached hereto (the "*Property*"), hereby states that the dedicatory instruments attached hereto are true and correct copies of the following:

1. *Bylaws of Mill Valley Community Association, Inc. (Exhibit A-1); and*
2. *Certificate of Filing of Mill Valley Community Association, Inc. (Exhibit A-2).*

All persons or entities holding an interest in and to any portion of property described on Exhibit B attached hereto are subject to the foregoing dedicatory instruments. The attached dedicatory instruments replace and supersede all previously recorded dedicatory instruments

addressing the same or similar subject matter and shall remain in force and effect until revoked, modified or amended by the Board of Directors.

IN WITNESS WHEREOF, Mill Valley Community Association, Inc. has caused this Certificate and Memorandum of Recording of Dedicatory Instruments to be recorded in the Official Public Records of Ellis and Johnson Counties, Texas.

MILL VALLEY COMMUNITY ASSOCIATION, INC.

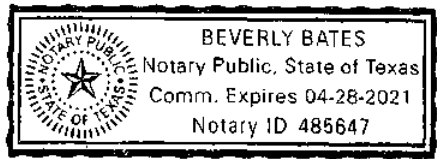
By: *Vinay Patel*
Its: Attorney

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned Notary Public, on this day personally appeared Vinay B. Patel, attorney for Mill Valley Community Association, Inc., known to me to be the person whose name is subscribed on the foregoing instrument and acknowledged to me that he executed the same for the purposes therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND AFFIRMED SEAL OF OFFICE on this 25th day of July, 2019.

Beverly Bates
Notary Public, State of Texas



**BYLAWS OF
MILL VALLEY COMMUNITY ASSOCIATION, INC.**

(A Texas Non-Profit Corporation)

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. All terms used herein, such as (but not by way of limitation) "Owner", "Lot", "Common Area", "Declarant", and "Assessments" shall have the same meanings as set forth in the Declaration of Covenants, Conditions and Restrictions for Mill Valley filed under Instrument No. 1823031 with the Office of the Ellis County Clerk and filed under Instrument No. 2018-21909 with the Office of the Johnson County Clerk, including any amendments or restatements thereof (collectively, the "*Declaration*").

Section 1.01A. "Votes", "ballots", "consents", "approvals", as used in these Bylaws, have their ordinary meanings and are not specially defined. They are not intended to be mutually exclusive and are intended to be interchangeable for most purposes. If any of these words is defined or limited by applicable law, one may not presume that the word is used in these Bylaws with that meaning.

ARTICLE II

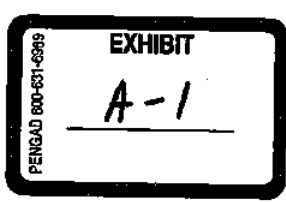
NAME

Section 2.01. Name. The name of this corporation shall be Mill Valley Community Association, Inc. (hereinafter called the "*Association*").

ARTICLE III

OFFICES OF THE ASSOCIATION

Section 3.01. Principal Office. The initial principal office of the Association shall be located in Tarrant County, Texas, but meetings of Members and directors may be held at such place within the State of Texas as may be designated by the Board of Directors. Upon the expiration of the Development Period, the principal office shall be located in either Ellis or Johnson Counties, Texas and meetings of Members and directors may be held at such place within Ellis or Johnson Counties, Texas as may be designated by the Board of Directors. The Board of Directors will use reasonable efforts to hold meetings at a suitable place convenient to the Mill Valley addition.



ARTICLE IV

ASSOCIATION RESPONSIBILITIES AND MEETINGS OF MEMBERS

Section 4.01. Association Responsibilities. The Members will constitute the Association, and the Association, by and through its Board Directors, shall be responsible for administering and enforcing the covenants, conditions and restrictions contained in the Declaration, including the collection and disbursement of charges and assessments as provided therein. In the event of any dispute or disagreement between any Members relating to the Property, any questions of interpretation or application of the provisions of the Declaration, Certificate of Formation or these Bylaws, such dispute or disagreement shall be submitted to the Board of Directors of the Association. The resolution of such dispute or disagreement by the Board of Directors shall be binding on each and all such Members, subject to the right of Members to seek other remedies provided by law after such determination by such Board of Directors.

Section 4.02. Place of Meeting. Meetings of the Association shall be held at such suitable place, reasonably convenient to the Members, within the State of Texas, Counties of Ellis, Johnson, or Tarrant, as the Board of Directors may determine.

Section 4.03. Annual Meetings. The first meeting of the Association shall be held as determined by the initial Board of Directors, or their successors, after the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held as determined by the Board of Directors. At the first annual meeting after the Development Period, there shall be elected a Board of Directors by ballot of the Members in accordance with the requirements of Article V of these Bylaws. The Members may also transact such other business of the Association as may properly come before them at such meeting. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following such day which is not a legal holiday.

Section 4.04. Special Meetings. It shall be the duty of the President of the Association to call a special meeting of the Members as directed by resolution of the Board of Directors or upon receipt of a written request from Members entitled to vote at least one-third (1/3) of all of the votes of either class of membership. The Board of Directors may not require a specific form of petition, nor require that the petition be offered to every member of the Association. Signatures on petitions need not be notarized or witnessed; however, the "signer's" identity must be reasonably discernible. No business except as stated in the notice shall be transacted at a special meeting of the Members. Notwithstanding the above, any special meetings shall be held within forty-five (45) days after receipt by the President of such request or petition.

Section 4.05. Notice of Meetings. Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered by the Association not less than ten (10) nor more than forty-five (45) days before the date of the meeting, either personally, by electronic mail, facsimile or by mail, to each Member according to the records of the Association. If sent via electronic mail or facsimile, such notice shall be deemed delivered when the notice is sent by electronic mail or

facsimile to the electronic mail address or facsimile number provided by the Member to the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the Member at his address according to the records of the Association, with postage thereon prepaid. Business transacted at any special meeting shall be confined to the purposes stated in the notice or waiver thereof.

Section 4.06. Quorum. The presence of holders of twenty percent (20%) of the votes of the Association, represented in person, by proxy, absentee ballot or electronic ballot, shall constitute a quorum for any meeting of Members except as otherwise provided by law or in the Certificate of Formation, the Declaration or the Bylaws. If, however, such quorum shall not be present or represented at any meeting of the Members, the Members present, or represented by proxy, shall have the power to adjourn the meeting from time to time, subject to the above notice requirements. The presence of holders of ten percent (10%) of the votes of the Association, represented in person, by proxy, absentee ballot or electronic ballot, shall constitute a quorum for any reconvened meeting of Members. The Association may call as many subsequent meetings as may be required to achieve a quorum. At such adjourned or subsequent meeting at which a quorum shall be present or represented, any business may be transacted which may have been transacted at the meeting as originally notified.

Section 4.06A. Lack of Quorum – Election of Directors. Notwithstanding any provision in the Bylaws to the contrary, the presence of the Members, in person, by proxy or other means allowed by law, shall constitute a quorum for the sole and exclusive purpose of conducting an election of directors at any meeting of the Association. No other business may be transacted at a meeting convened under this Section 4.06A. In order to conduct business of the Association at a meeting of the Members other than the election of directors, the applicable quorum requirement contained in Section 4.06 of these Bylaws must be satisfied. In the event of a conflict between this Section 4.06A and any other provision in the Bylaws, the terms and conditions of this Section 4.06A shall control.

Section 4.07. Proxies, Absentee Ballots and Electronic Ballots. At all meetings of Members, each Member may vote in person, by proxy, absentee ballot or electronic ballot in accordance with applicable law. Any vote cast in an Association election or vote by a Member must be in writing and signed by the Member voting. An electronic ballot shall be considered a written and signed ballot for purposes of this Section. An electronic ballot may be given by electronic mail, facsimile transmission or posting on an internet website established for the purpose of registering the votes of Members. All proxies shall be in writing and shall be filed with the Secretary of the Association or as otherwise designated. Every proxy shall be revocable and shall automatically cease upon conveyance by a Member of his Lot.

Section 4.08. Voting by Declarant, Association, and Members. The Association shall not be a voting member of the Association by virtue of its ownership of any Common Areas. Each Member may vote the number of votes set forth in the Declaration. A Member's right to vote may not be suspended unless allowed by applicable law. The Class "A" Members shall be comprised of all Owners except the Class "B" Member, if any. Each Class "A" Member shall be entitled to one (1) equal vote for each residence in which they hold the interest required for membership under these Bylaws, except that there shall be only one (1) vote, whole and undivided,

per residence. There shall be only one membership per residence. The sole Class "B" Member shall be the Declarant and shall be entitled to (10) ten votes for each Lot owned. The Class "B" Member shall be entitled to appoint a majority of the members of the Board during the Declarant Control Period.

Section 4.09. Membership List. The officer or agent having charge of the membership books shall make a complete list of the Members entitled to vote at each such meeting or any adjournment thereof arranged in alphabetical order, with the address of each Member, which list shall be kept on file at the principal office of the Association, and shall be subject to inspection by any Member at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting, and shall be subject to the inspection of any Member during the whole time of the meeting. The Association membership list shall be prima facie evidence as to who are the Members entitled to examine such list or to vote at any such meeting of Members.

Section 4.10. Tabulation of Votes. Any person who tabulates ballots in an Association election or vote may not disclose how a Member or individual voted. A person who is a candidate or otherwise the subject of an Association vote, or a person related to that person within the third degree of affinity or consanguinity, may not tabulate or otherwise be given access to the ballots cast in an election or vote.

Section 4.11. Recounts. Any Member may, not later than the 15th day after the date of the meeting at which the election or vote was held, require a recount of the votes. A demand for a recount must be submitted in writing either:

- (1) by certified mail, return receipt requested, or by delivery by the United States Postal Service with signature confirmation service to Association's mailing address as reflected on the latest management certificate filed under Section 209.004 of the Texas Property Code; or
- (2) in person to the Association's managing agent as reflected on the latest management certificate filed under Section 209.004 Texas Property Code or to the address to which absentee and proxy ballots are mailed.

The Association shall, at the expense of the Member requesting the recount, retain for the purpose of performing the recount, the services of a person qualified to conduct a recount. The Association shall enter into a contract for the services of a person who:

- (1) is not a Member of the Association or related to a Member of the Association Board within the third degree by consanguinity or affinity, and is either:
 - (A) a current or former:
 - (i) county judge;
 - (ii) county elections administrator;
 - (iii) justice of the peace; or
 - (iv) county voter registrar; OR

(B) a person who is not a Member of the Association or related to a current director and who is agreed on by the Association and the Member requesting the recount.

Any recount must be performed on or before the 30th day after the date of receipt of a request and payment for a recount. If the recount changes the results of the election, the Association shall reimburse the requesting Member for the cost of the recount. The Association shall provide the results of the recount to each Member who requested the recount. Any action taken by the Board in the period between the initial election vote tally and the completion of the recount is not affected by any recount.

Section 4.12. Declarant Control. Many sections of these Bylaws do not apply during the Declarant Control Period. Examples of provisions that pertain specifically to Declarant include the number, qualification, appointment, removal, and replacement of directors, as well as the weight of votes allocated to lots and land owned by Declarant. If a provision of the Declaration contradicts a provision of these Bylaws, the Bylaws provision will be construed to apply after the Declarant Control Period.

ARTICLE V

BOARD OF DIRECTORS

Section 5.01. Number and Qualification. The affairs of the Association shall be governed by a Board of Directors consisting, initially, of the three (3) persons set forth in the Association's Certificate of Formation. During the Development Period, except as otherwise expressly provided by Section 209.00591(c) of the Texas Property Code or any successor statute, all Directors shall be selected and removed by Declarant acting in its sole discretion and shall serve at the pleasure of the Declarant. At the first annual meeting after the Development Period, there shall be elected by the Members at least three (3) and no more than five (5) directors to the Board of Directors who shall thereafter govern the affairs of the Association until their successors have been duly elected and qualified. Other than Directors appointed by the Declarant, all Directors must be Members of the Association. A person convicted of a felony or crime involving moral turpitude within the past 20 years may not serve on the board. The number of individuals to sit on the Board of Directors may be increased to over five (5) directors by amendment of these Bylaws.

Prior to each election after the Development Period, the Board of Directors shall prescribe the opening date and the closing date of a reasonable filing period in which each and every eligible person who has a bona-fide interest in serving as a director may file as a candidate for any position. The Board of Directors shall also establish such other rules and regulations as it deems appropriate to conduct the nomination of directors in a fair, efficient and cost-effective manner. Nominations from the floor shall also be permitted.

Section 5.02. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the Property and the Common Areas in keeping with the character and quality of

the area in which it is located. The business and affairs of the Association shall be managed by or under the direction of the Board of Directors which may exercise all such powers of the Association and do all such lawful acts and things as are not by statute, the Certificate of Formation, these Bylaws or the Declaration, directed or required to be exercised or done by the Members. The Board of Directors may, by adoption of such action in accordance with this Article V, delegate specific Association management responsibilities to an authorized person or entity; provided, however, such delegation shall not relieve or release the Board of Directors of any duty to oversee, manage or direct the business and affairs of the Association. The Board of Directors shall be specifically authorized to promulgate and amend, from time to time, a policy setting forth procedures by which violation fines are to be levied for violations of the Declaration, the design or architectural guidelines, or any rule or regulation of the Association.

The powers and duties of the Board of Directors shall include, without limitation:

- (a) preparing and adopting, in accordance with the Declaration, an annual budget establishing each Owner's share of the Common Expenses, and determining the amount(s) of all assessments;
- (b) levying and collecting such assessments from the Owners;
- (c) providing for the operation, care, upkeep and maintenance of the Common Areas;
- (d) designating, hiring, and dismissing the personnel necessary to carry out the rights and responsibilities of the Association and where appropriate, providing 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;
- (e) depositing all funds received on behalf of the Association in appropriate bank accounts or in other accounts approved by the Board of Directors, and using such funds to operate the Association; provided, any reserve funds may be deposited, in the Board of Directors' good faith best business judgment, in depositories other than banks;
- (f) making, amending and enforcing policies, resolutions, rules and regulations governing the administration and operation of the Association, including but not limited to, policies and procedures regarding the application of payments for assessments, late charges, interest, costs of collection (including, but not limited to, attorneys' fees), fines and any and all other charges received from Owners;
- (g) opening the bank accounts on behalf of the Association and designating the signatories required;
- (h) making or contracting for the making of repairs, additions and improvements to or alterations of the Common Areas in accordance with the Declaration and these Bylaws;

- (i) enforcing the provisions of the Declaration and any rules or standards developed pursuant to the Declaration, the Certificate of Formation and/or these Bylaws, and bringing any legal proceedings which may be instituted on behalf of or against the Owners concerning the Association; provided, the Association's obligation in this regard shall be conditioned in the manner provided in the Declaration;
- (j) obtaining and carrying insurance as provided in the Declaration, paying the cost thereof, and filing and adjusting claims, as appropriate;
- (k) paying the cost of all services rendered to the Association;
- (l) keeping books with detailed accounts of the receipts and expenditures of the Association;
- (m) taking such actions as contemplated by the Board of Directors in the Declaration, these Bylaws and/or the Certificate of Formation;
- (n) permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Property; and
- (o) indemnifying a director, officer or committee member, or former director, officer or committee member of the Association or any agent, contractor or management company of the Association to the extent such indemnity is required or permitted under Texas law, the Certificate of Formation or the Declaration.

Section 5.03. No Waiver of Rights. The omission or failure of the Association or any Member to enforce the covenants, conditions, restrictions, easements, uses, liens, limitations, obligations or other provisions of the Declaration, these Bylaws or the rules and regulations adopted pursuant thereto or hereto, shall not, in any event, constitute or be deemed a waiver, modification or release thereof, and the Board of Directors shall have the right to enforce the same at any time thereafter.

Section 5.04. Election and Term of Office. As to the first Directors elected by the Members after the Development Period, the term of office for at least two (2) Directors shall be fixed at two (2) years and the term of office for the remaining Directors shall be fixed at one (1) year. Thereafter, the term of office for each Director shall be fixed at two (2) years. The Directors shall hold office until their successors have been elected and hold their first meeting, except as is otherwise provided herein. The terms of Directors may be changed by amendment of these Bylaws. Notwithstanding the foregoing, for those Directors elected pursuant to Section 209.00591(c) of the Texas Property Code, as amended, the term of office is the earlier of two (2) years or the turnover or transition meeting, at which time the seat will be filled by election. If an elected Director vacates the seat during the term, it must be filled with an elected Director at the next annual meeting or at any special meeting of the Association called for that purpose.

Section 5.05. Vacancies. Vacancies in the Board of Directors after the Development Period caused by death, resignation or disqualification (*i.e.*, by any reason other than the removal of a Director by a vote of the Association as set forth in Section 5.06 hereof) shall be filled by the

unanimous vote of the remaining Directors, and each person so elected shall be a Director until the expiration of that term. If the remaining Directors cannot unanimously agree, a special meeting of the Members shall be held to fill the vacancy. Vacancies caused by an increase in the Board of Directors shall be filled by a vote of the Members at a special or annual meeting of the Members. Vacancies in the Board of Directors caused by a removal of a Director by a vote of the Association shall be filled in the manner set forth in Section 5.06 hereof.

Section 5.06. Removal of Directors by Members. At any annual or special meeting of the Association duly called, any one or more of the Directors elected by the Members may be removed with or without cause by the affirmative vote of a majority of Members entitled to vote who are present at a duly convened meeting, 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 5.06A Removal of Directors by Directors. A Director may not be removed by the remaining Directors, except for the following limited reasons for which a Director may be removed by at least a majority of the other Directors.

- a. **Criminal Conviction.** A majority of the remaining Directors may remove a Director for whom the Board of Directors receives documented evidence from a governmental law enforcement authority that the director was convicted of a felony or crime involving moral turpitude within the previous 20 years.
- b. **Additional Reasons.** The following reasons for removal apply to Directors who are owners to the extent not prohibited by applicable law for owners who serve on boards of property owners associations.
 - (1) The Director is a party adverse to the Association, the Board of Directors, a committee of the Association, or individual officers, directors, or committee members, acting in those capacities, in pending litigation, provided the Association did not file suit to effect removal of the Director.
 - (2) The Director has refused or failed to attend three (3) or more meetings of the Board of Directors.

Section 5.07. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least one (1) such meeting shall be held every six (6) months. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone, electronic mail or facsimile, at least 72 hours prior to the day named for such meeting.

Section 5.07A. Adversarial Director. This section applies to a director who initiates, threatens, supports, or engages in conduct that is likely to result in legal action against one or more directors in their capacity as Directors, the Board of Directors, or the Association (an "*adversarial director*"). A majority of the remaining Directors or the attorney representing the Association may exclude or remove the adversarial director from executive sessions, meetings, or

communications during which the likely, threatened, or pending legal action is considered.

Section 5.07B. Emergency Board Meetings. For the sole purpose of responding to a, emergency, the Board of Directors may convene an emergency board meeting after making a diligent attempt to notify each director and officer by any practical method, without formal notice to the Directors or Members. At such emergency board meeting, the Directors participating constitute a quorum of directors. The Directors who participate in the emergency Board of Directors meeting must orally summarize their decisions at the next meeting of the Board of Directors for which the owners have notice. The oral summary must include an explanation of any known expenditures - actual or estimated - that were approved by the Board of Directors, and must be reported in the meeting minutes.

Section 5.08. Special Meetings. Special meetings of the Board of Directors may be called by the President upon five (5) days' notice to each Director, given personally or by mail, telephone, electronic mail or facsimile, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President, Secretary or Assistant Secretary of the Association in like manner and on like notice on the written request of one (1) or more Directors.

Section 5.09. Meeting by Telephonic or Other Electronic Means. To the extent allowed by applicable law, members of the Board of Directors may participate in a meeting by means of telephone or video conference or similar electronic communications equipment, including electronic mail, whereby all persons participating in the meeting can hear each other or see what each other is saying or writing, and participation in a meeting pursuant to this Section 5.09 shall constitute presence in person at the meeting.

Section 5.10. Waiver of Notice. Before or after any meeting of the Board of Directors, any Director may, in writing including electronic mail, 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 of Directors shall be a waiver of notice by him or her of the time and place thereof. Except as otherwise provided by law, if all of the Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 5.11. Board of Directors' Quorum. At all meetings of the Board of Directors, a majority of the Directors in office shall constitute a quorum for the transaction of business, and the act of the majority of the Directors shall be the act of the Board of Directors. Directors present by proxy may not be counted toward a quorum. If at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 5.12. Compensation. No member of the Board of Directors shall receive any compensation for acting as such. Any Director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other Directors.

Section 5.13. Action Taken Without a Meeting. To the extent allowed by applicable law, Directors shall have the right to take any action in the absence of a meeting which they could take at any meeting by obtaining the written approval of all the Directors. Such action may be evidenced by electronic mail sent by any Director. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 5.14. Election of Directors. The appropriate number of members of the Board of Directors shall be elected by plurality vote at the annual meeting of Members of the Association, which Members of the Association shall vote the number of votes set forth in the Declaration.

Section 5.14A. Candidates. Prior to an election of one or more Directors for which the Association disseminates ballots with pre-printed names, the Association must meet or exceed applicable law requirements, if any, regarding the solicitation of candidates and production of ballots, such as Property Code Section 209.00593. This Section may not be construed to require ballots with pre-printed names or the dissemination of ballots outside the meeting.

5.14.1. Candidate Information. The Association may ask each candidate to submit certain information to help voters make informed decisions and may disseminate the information to Members.

5.14.2 Nominating Committee. From time to time, the Board of Directors may appoint a nominating committee of the Association to oversee the solicitation of candidates and the dissemination of candidate information.

5.14.3 Endorsements. The Board of Directors by a majority vote may endorse one or more candidates or may authorize the nominating committee to endorse one or more candidates, and may announce its endorsements to the Members as a legitimate exercise of power.

5.14.4 Nominations from Floor. The Association's dissemination of a ballot with pre-printed names does not prevent a Member from announcing the Member's candidacy from the floor of the election meeting. Also, if all candidates are solicited at an election meeting and if voting is done at the meeting with fill-in ballots, no prior candidate solicitation is required.

Section 5.15. Open Meetings and Notice to Members. Where required by law, the meetings of the Board of Directors shall be open to the Members. Members are not allowed to participate in the meeting of the Board of Directors unless recognized by the Chair of the meeting. The Board of Directors shall be allowed to adjourn to executive session to discuss and vote upon certain matters as allowed by law. Notice of meetings of the Board of Directors, where required by law, shall be:

- (1) mailed to each Owner not later than the 10th day or earlier than the 60th day before the date of the meeting; **or**
- (2) provided at least 72 hours before the start of the meeting by:

(A) posting the notice in a conspicuous manner reasonably designed to provide notice to the Members:

- (i) in a place located on the Common Areas or, with the Owner's consent, on other conspicuously located privately owned property within the subdivision; or
- (ii) on any Internet website maintained by the association or other Internet media; and

(B) sending the notice by electronic mail to each Owner who has registered an electronic mail address with the Association.

**It is an Owner's duty to keep an updated
e-mail address registered with the Association.**

Section 5.16. Open Meetings During Development Period. Notwithstanding Section 5.15 above, during the Development Period, the Board of Directors are permitted pursuant to the terms of Section 209.0051(i) of the Texas Property Code or any successor statute, to take action without a meeting and/or without notice to Members, or by unanimous written consent, the Board of Directors shall be permitted to take such action in such manner as the Board of Directors may deem advisable in accordance with the requirements of applicable law.

ARTICLE VI

OFFICERS

Section 6.01. Designation. The officers of the Association shall be a President, one (1) or more Vice-Presidents, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors, and such assistant officers as the Board of Directors shall, from time to time, appoint. Such officers need not be members of the Board of Directors. The office of President and Treasurer may be held by the same person, and the office of Vice-President and Secretary or Assistant Secretary may be held by the same person.

Section 6.02. Election of Officers and Term of Office. The officers of the Association shall be elected annually by the Board of Directors at the next meeting of the Board of Directors, which follows the Annual Meeting of the Members, and such new officers shall hold office for a term of one (1) year.

Section 6.03. Resignation and Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor appointed at any regular or special meeting of the Board of Directors called for such purpose. An officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date such notice is received, or at any later time specified therein. Unless otherwise specified

therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6.04. Vacancies. A vacancy in any office due to the death, resignation, removal or other disqualification of the officer previously filling such office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 6.05. 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 of Directors. He shall have all of the general powers and duties which are usually vested in the office of president of an association, including but not limited to the power to appoint committees from 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 of Directors or by the Members of the Association at any annual or special meetings.

Section 6.06. Vice-President. The Vice-President shall have all the powers and authority and perform all the functions and duties of the President in the absence of the President or his inability for any reason to exercise such powers and functions or perform such duties, and shall also perform any duties he is directed to perform by the President.

Section 6.07. Secretary. (a) The Secretary shall keep all the minutes of the meetings of the Board of Directors and the Association. The Secretary shall have charge of such books and papers as the Board of Directors may direct, and shall, in general, perform all the duties incident to the office of Secretary as provided in the Declaration, Bylaws and Certificate of Formation.

(b) The Secretary shall compile and keep up to date at the principal office of the Association a complete list of the members and their last known addresses as shown on the records of the Association. Such list shall be open to inspection by members and other persons lawfully entitled to inspect the same at reasonable times during regular business hours.

Section 6.03. Assistant Secretary. The Assistant Secretary, if any, shall have all the powers 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 for any reason to exercise such powers and functions or to perform such duties, and also to perform any duties as directed by the Secretary.

Section 6.09. Treasurer. (a) The Treasurer shall have custody of and be responsible for Association funds and for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall deposit 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 of Directors.

(b) The Treasurer shall disburse the funds of the Association as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and the Board of Directors at its regular meetings, or when the Board of Directors so requires, an account of all his transactions as Treasurer, and of the financial condition of the Association.

ARTICLE VII

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 7.01. Indemnification. (a) The Association shall indemnify, to the extent provided in the following paragraphs, any person who is or was a director, officer, agent or employee of the Association. In the event the provisions of indemnification set forth below are more restrictive than the provisions of indemnification allowed by Chapter 8 of the Texas Business Organizations Code (the "*Code*"), then such persons named above shall be indemnified to the full extent permitted by the Code as it may exist from time to time.

(b) In case of a threatened or pending suit, action or proceeding (collectively, "*Suit*"), whether civil, criminal, administrative or investigative (other than an action by the Association), against a person named in paragraph (a) above by reason of such person's holding a position named in such paragraph (a), the Association shall indemnify such person, if such person satisfies the standard contained in paragraph (c) below, for amounts actually and reasonably incurred by such person in connection with the defense or settlement of the Suit as expenses (including court costs and attorneys' fees), amounts paid in settlement, judgments, penalties (including excise and similar taxes), and fines.

(c) A person named in paragraph (a) above will be indemnified only if it is determined in accordance with paragraph (d) below that such person:

- (i) acted in good faith in the transaction which is the subject of the Suit; and
- (ii) reasonably believed:
 - (A) if acting in his or her official capacity as director, officer, agent or employee of the Association, that his or her conduct was in the best interests of the Association; and
 - (B) in all other cases, his or her conduct was not opposed to the best interests of the Association; and
- (iii) in the case of any criminal proceeding, had no reasonable cause to believe that his or her conduct was unlawful.

The termination of a proceeding by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, will not, of itself, create a presumption that such person failed to satisfy the standard contained in this paragraph (c).

(d) A determination that the standard in paragraph (c) above has been satisfied must be made:

- (i) by the Board of Directors by a majority vote of a quorum consisting of Directors who, at the time of the vote, are not named defendants or respondents in the proceeding; or

(ii) if such quorum cannot be obtained, by a majority vote of a special committee designated to act in the matter by a majority vote of all Directors, consisting solely of two (2) or more Directors who at the time of the vote are not named defendants or respondents in the proceeding; or

(iii) by special legal counsel selected by the Board of Directors or a committee of the Board of Directors by vote as set forth in subparagraphs (i) or (ii) above, or, if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all Directors.

(e) Determination as to reasonableness of expenses must be made in the same manner as the determination that indemnification is permissible, except that if the determination that indemnification is permissible is made by special legal counsel, determination as to reasonableness of expenses must be made in the manner specified by subparagraph (d)(iii) above for the selection of special legal counsel.

(f) The Association may reimburse or pay in advance any reasonable expenses (including court costs and attorneys' fees) which may become subject to indemnification under paragraphs (a) through (e) above, but only in accordance with the provisions as stated in paragraph (d) above, and only after the person to receive the payment (i) signs a written affirmation of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification under paragraph (c) above, and (ii) undertakes in writing to repay such advances if it is ultimately determined that such person is not entitled to indemnification by the Association. The written undertaking required by this paragraph must be an unlimited general obligation of the person but need not be secured. It may be accepted without reference to financial ability to make repayment.

(g) The indemnification provided by paragraphs (a) through (e) above will not be exclusive of any other rights to which a person may be entitled by law or vote of members or disinterested Directors, or otherwise.

(h) The indemnification and advance payment provided by paragraphs (a) through (c) above will continue as to a person who has ceased to hold a position named in paragraph (a) above and will inure to such person's heirs, executors and administrators.

(i) The Association may purchase and maintain insurance on behalf of any person who holds or has held any position named in paragraph (a) above against any liability incurred by such person in any such position, or arising out of such person's status as such, whether or not the Association would have the power to indemnify such person against such liability under paragraphs (a) through (f) above.

(j) Indemnification payments and advance payments made under paragraphs (a) through (i) above are to be reported in writing to the Members of the Association in the next notice or waiver of notice of annual meeting, or within twelve (12) months after the payments are made, whichever is sooner.

(k) All liability, loss, damage, cost and expense incurred or suffered by the Association by reason of or arising out of, or in connection with, the foregoing indemnification provisions shall be treated and handled by the Association as an expense subject to special assessment.

Section 7.02. Other. The Board of Directors, officers, or representatives 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 (except such liability as may be ascribed to them in their capacity as Owners).

Section 7.03. Interested Directors and Officers. (a) If paragraph (b) below is satisfied, no contract or transaction between the Association and any of its Directors or officers (or any other corporation, partnership, association or other organization in which any of them directly or indirectly have a financial interest) shall be void or voidable solely because of this relationship.

(b) The contract or transaction referred to in paragraph (a) above will not be void or voidable if:

(i) the Director, relative, or company bids on the proposed contract and the Association has received at least two other bids for the contract from persons not associated with the Director, relative, or company, if reasonably available in the community;

(ii) the Director:

(A) is not given access to the other bids;

(B) does not participate in any board discussion regarding the contract;

and

(C) does not vote on the award of the contract;

(iii) the material facts regarding the relationship or interest with respect to the proposed contract are disclosed to or known by the Board and the Board, in good faith and with ordinary care, authorizes the contract by an affirmative vote of the majority of the Directors who do not have an interest governed by this Section 7.03; and

(iv) the Board of Directors certifies that the other requirements of this Section 7.03(b) have been satisfied by a resolution approved by an affirmative vote of the majority of the Directors who do not have an interest governed by this Section 7.03.

ARTICLE VIII

AMENDMENTS TO BYLAWS

Section 8.01. Amendment to Bylaws. During the Development Period and subject to any applicable provisions in the Declaration, the Declarant may amend these Bylaws without approval of the Board of Directors or any Members. After the expiration of the Development Period, these Bylaws may be amended by a majority of the Board of Directors provided that notice has been given to Members of a proposed amendment(s) at least ten (10) days in advance of

any meeting of the Board of Directors at which such amendments are to be voted upon. The Board of Directors, by unanimous vote, may delegate the power to amend the Bylaws to the Members. In the event such power has been delegated to the Members, these Bylaws may be amended upon a majority vote of those Members present at a duly convened regular or special meeting of the Members. In the case of any conflict between the Certificate of Formation and these Bylaws, the Certificate shall control, and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE IX

EVIDENCE OF OWNERSHIP, REGISTRATION OF MAILING ADDRESS

Section 9.01. Proof of Ownership. Except for those Owners who purchase a Lot from Declarant, any person or entity, on becoming an Owner of a Lot, shall furnish to the Board of Directors or the Association's managing agent a true and correct copy of the original or a certified copy of the recorded instrument vesting that person or entity with an interest or ownership in the Lot, which copy shall remain in the files of the Association.

Section 9.02. Registration of Mailing Address. The Owner or several Owners of a Lot shall have the same registered mailing address to be used by the Association for the mailing of annual or monthly statements, notices, demands and all other communications, and such registered address shall be the only mailing address of a person or persons to be used by the Association. Such registered address of an Owner or Owners shall be deemed to be the mailing address of the Lot owned by said Owner or Owners unless a different registered address is furnished by such Owner(s) in writing to the Board of Directors within fifteen (15) days after transfer of title or after a change of address. To be a valid change of address, such registration shall be in written form and signed by all of the Owners of the Lot or by such person(s) as are authorized by law to represent the interest of all of the Owner(s) thereof.

ARTICLE X

GENERAL

Section 10.01. Assessments and Liens. As more fully provided in the Declaration, each Member shall pay to the Association annual, special, reserve and individual special assessments, as applicable, which are secured by a continuing lien upon the lot against which the assessment is made. The Board of Directors may suspend a Member's privilege to use the Common Areas or properties.

Section 10.02. Abatement and Enjoyment. The violation of any rule or regulation, or the breach of any Bylaw, the design or architectural guidelines, or any provision of the Declaration, shall give the Board of Directors the right, in addition to any other rights set forth in the Declaration or herein, to levy violation fines or penalties, enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of such violation or breach.

Section 10.03. Committees. The Board may appoint an Architectural Control Committee, subject to the terms of and as provided in the Declaration. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

Section 10.04. Books and Records. (a) The books, records and accounts of the Association shall, at reasonable times upon reasonable written notice, be subject to inspection and copying in accordance with Section 209.005 of the Texas Property Code at such Member's cost and expense. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association or at the office of the Managing Agent, and copies of such documents may be purchased from the Association at a reasonable cost. This Section may not be construed as a duty for the Association to create or maintain "official records" that it does not otherwise have. The Association's official records include (without limitation):

- i. Current Governing Documents.
- ii. Financial records of the operation and administration of the Association, including bank statements, tax returns, financial statements, audits, and detailed records of receipts and expenditures.
- iii. Approved minutes of membership and board meetings.
- iv. Current written contracts to which the Association is a party.
- v. Meeting notices, ballots, proxies, and other records related to voting by owners.

(b) This subsection pertains to "unofficial records", being all information and materials in the Association's possession other than the Association's official records. This Section may not be construed as a duty for the Association to create or maintain unofficial records that it does not otherwise have. The Association is not required to make unofficial records available for document production, inspection, or copying, except under court order, on advice of counsel, or if requested by the Owner to whom it pertains directly. The Section may not be construed as a duty by the Association to keep its unofficial records closed, or as a prohibition against disclosing items of unofficial information as the Association deems appropriate. To the extent permitted or not prohibited by applicable law, the Association's unofficial records include (without limitation):

- i. Architectural drawings, engineering plans, and other intellectual property without the Owner's written consent.
- ii. Contracts, leases, bids, or other documents and correspondence related to transactions that are in negotiation.
- iii. Unapproved minutes of membership and board meetings.
- iv. Communications with legal counsel that are otherwise protected by the attorney-client privilege or the attorney work product doctrine.
- v. Except as required to produce the below-described membership list or with the Member's written consent, information pertaining to a particular Lot or Owner, such as: additional contact information (such as phone numbers and email addresses), banking or credit information, identification numbers (such as driver's license or social security), place of employment, emergency contact information, mortgage information, lease-related information, information identified by the Owner as "confidential," and any other item of information provided by an Owner or obtained by the Association.

- vi. Correspondence and notes pertaining to any of the foregoing items.

Section 10.05. Non-Profit Association. This Association is not organized for profit. No Member of the Association, member of the Board of Directors, 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 member of the Board of Directors, officer or member; provided, however, that (1) reasonable compensation may be paid to any member, Director or officer while acting as an agent or employee of a third party for services rendered to the Association in effecting one or more of the purposes of the Association, and (2) 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.

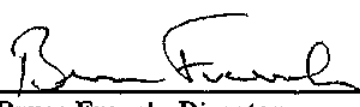
Section 10.06. Execution of Documents. The persons who shall be authorized to execute any and all contracts, documents, instruments of conveyance or encumbrances, including promissory notes, shall be the President or any Vice President, and the Secretary or any Assistant Secretary, of the Association.

Section 10.07. Conflicting or Invalid Provisions. Notwithstanding anything contained herein to the contrary, should all or part of any Article or Section of these Bylaws be in conflict with the provisions of the Act or any other Texas law, such Act or law 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 reasonable, shall be valid and operative.


Section 10.08. Notices. All notices to Members of the Association shall be given by delivering the same to each Owner in person or by depositing the notices in the U.S. Mail, postage prepaid, addressed to each Owner at the address according to the records of the Association. If an Owner shall fail to give an address to the Secretary for mailing of such notices, all such notices shall be sent to the street address of the Lot of such Owner. All Owners shall be deemed to have been given notice of the meetings upon the proper mailing of the notices to such addresses irrespective of the actual receipt of the notices by the Owners. Notices may be sent to Owners via electronic mail to an address provided to the Association by the Owner. Owners are solely responsible for maintaining a current electronic mail address with the Association.

Section 10.09. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation of the Association.

IN WITNESS WHEREOF, being all of the current Directors of Mill Valley Community Association, Inc. hereby adopt the foregoing Bylaws for the Association on this 12 day of February, 2019.



Bruce French, Director



Kelly Dykes, Director



Deborah Schumacher, Director

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697



Rolando B. Pablos
Secretary of State

Office of the Secretary of State

CERTIFICATE OF FILING OF

Mill Valley Community Association, Inc.
File Number: 803031796

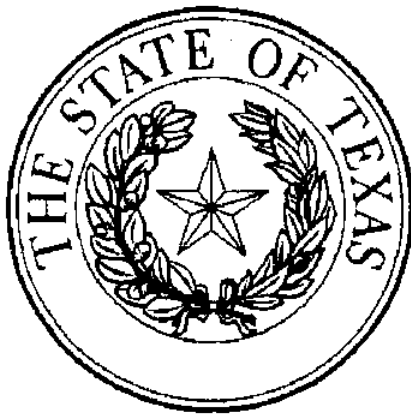
The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

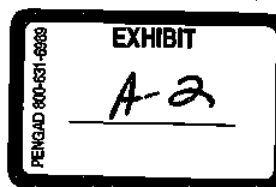
Dated: 05/31/2018

Effective: 05/31/2018



A handwritten signature in black ink, appearing to read "Rolando B. Pablos".

Rolando B. Pablos
Secretary of State



Come visit us on the internet at <http://www.sos.state.tx.us/>

Phone: (512) 463-5555
Prepared by: Elizabeth "Annie" Denton

Fax: (512) 463-5709
TID: 10306

Dial: 7-1-1 for Relay Services
Document: 816364340002

CERTIFICATE OF FORMATION

OF

MILL VALLEY COMMUNITY ASSOCIATION, INC.

The undersigned natural person of the age of eighteen (18) years or more, acting as a sole organizer of the corporation (the "Association") under Chapter 22 of the Texas Business Organizations Code (the "Code"), does hereby adopt the following Certificate of Formation for the Association:

ARTICLE I

NAME

The name of the Association is Mill Valley Community Association, Inc.

This entity is the mandatory nonprofit property owners association created by the publicly recorded Declaration to govern the real property located in Ellis and Johnson Counties, Texas, and is the "HOA" or "Association" referenced on the plat of the real property. The filing of this Certificate of Formation ("Certificate") with the Secretary of State as a certificate of formation creates nonprofit corporation status for the Association.

ARTICLE II

NON-PROFIT CORPORATION

The Association is one which does not contemplate pecuniary gain or profit to the members thereof, and it is organized solely for non-profit purposes.

ARTICLE III

DURATION

The period of the duration of the Association is perpetual.

ARTICLE IV

PURPOSES AND POWERS

1. The Association is organized and shall be operated exclusively as a homeowners association within the meaning of Section 528 of the Internal Revenue Code of 1986, as amended, or the corresponding provision or provisions of any subsequent United States Internal Revenue

law or laws (the "IRC"). The specific and primary purposes for which it is formed are (a) to maintain the common areas of the Association; and (b) to the extent permitted by applicable law, to have the power to provide architectural control and enforce compliance with the covenants, conditions and restrictions of the Declaration of Covenants, Conditions and Restrictions for Mill Valley, to be recorded in the Official Public Records of Ellis and Johnson Counties, Texas, as amended, supplemented or restated, covering the property described therein (collectively, the "Declaration").

2. Within the scope of the foregoing purposes, and not by way of limitation thereof, the general purposes and powers of the Association are:

(a) To promote the value and desirability of the property covered by the Declaration for the benefit and general welfare of its members and residents;

(b) To exercise all of the powers and privileges and to perform the duties and obligations which may be vested in the Association by the Declaration;

(c) To enforce applicable provisions of the Declaration and the Bylaws of Mill Valley Community Association, Inc. (the "Bylaws") and any rules and regulations of the Association;

(d) To fix, levy, collect and enforce payment by any lawful means, charges or assessments pursuant to the terms of the Declaration and Bylaws; to contract for and pay all expenses in connection with the construction, maintenance, landscaping, utilities, materials, supplies and services relating to the Common Area; to employ personnel reasonably necessary for administration and control of the Common Areas, including lawyers and accountants where appropriate; and to pay all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes and special assessments which are or would become a lien on any portion of the Common Areas;

(e) To have and to exercise any and all powers, rights and privileges, including delegation of powers as permitted by law, which the Association under the Code may now or hereafter have or exercise;

(f) To acquire (by purchase, grant or otherwise), annex and merge, own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association; and

(g) Subject to the provisions of this Certificate of Formation and the Bylaws, to borrow money and to mortgage, pledge or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred in connection with the affairs of the Association.

(h) To conduct meetings in accordance with Section 22.002 of the Code.

The foregoing statement of purposes shall be construed as a statement both of purposes and of powers, and the purposes and powers in each clause shall not be limited or restricted by reference to or inference from the terms or provisions of any other clause, but shall be broadly construed as independent purposes and powers.

Further, notwithstanding any of the above statements of purposes and powers, the Association shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purposes of the Association or that are inconsistent with its qualification as a homeowners association under Section 528 of the IRC.

3. The management and affairs of the Association are vested in the Board of Directors, except for those matters expressly reserved to others in the Governing Documents. The Declaration or Bylaws may determine the number and qualification of directors; the term of office of Directors; the methods of electing, removing, and replacing Directors; and the methods of holding a Board of Directors' meeting and obtaining consents. Directors may not vote by proxy at meetings of the Board of Directors.

4. The Association is a nonstock membership organization. The Declaration or Bylaws will determine the number and qualifications of members of the Association; any classes of membership; the voting rights and other privileges of membership; and the obligations and liabilities of members. Cumulative voting is not allowed.

ARTICLE V

REGISTERED OFFICE AND REGISTERED AGENT

The street address of the initial registered office of the Association is 6010 W. Spring Creek Pkwy, Plano, Texas 75024. The name of its initial registered agent at such address is Legacy Southwest Property Management, LLC.

ARTICLE VI

INITIAL BOARD OF DIRECTORS

The initial Board of Directors of the Association shall consist of three (3) members; thereafter, the number of directors of the Association shall be fixed in accordance with the Bylaws adopted by the Association. The names and addresses of the persons who shall serve as directors until their successors shall have been appointed or elected and qualified are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Bruce French	1038 Texan Trail Grapevine, Texas 76051

Kyle Joyce

1038 Texan Trail
Grapevine, Texas 76051

Sandy Trenton

1038 Texan Trail
Grapevine, Texas 76051

ARTICLE VII

ORGANIZER

The name and street address of the organizer of the Association is:

NAME

ADDRESS

Vinay B. Patel

Henry Oddo Austin & Fletcher, P.C.
1700 Pacific Avenue
Suite 2700
Dallas, Texas 75201

ARTICLE VIII

MEMBERSHIP

The authorized number of and qualifications for membership in the Association, along with the appurtenant voting rights and other privileges due members of the Association, shall be as set out in the Declaration and the Bylaws.

ARTICLE IX

NO PRIVATE INUREMENT

No part of the net earnings of the Association shall inure to the benefit of any member, director or officer of the Association, or any private individual; provided, however, that reasonable compensation may be paid for services rendered to or for the Association, and expenses may be reimbursed or paid in furtherance of one or more of its purposes.

ARTICLE X

AMENDMENT OF ARTICLES

This Certificate may be amended or restated subject to the following:

General Provisions. (1) An amendment may not conflict with the Declaration, the Bylaws, or applicable State law. (2) An amendment may not impair or dilute a right granted to a person by the Declaration, without that person's written consent. (3) If the Association is incorporated by the

State of Texas at the time of amendment, an amendment must be in accordance with applicable provisions of the TBOC.

Amendment by Declarant. During the Declarant Control Period, Declarant may unilaterally amend or restate this Certificate for any purpose, without a vote of the Association or of the members.

Amendment by Board. During the Declarant Control Period, the Board of Directors may unilaterally amend or restate this Certificate for any purpose, without a vote of the members, provided the amendment is approved in writing by Declarant. After the Declarant Control Period, the Board of Directors may unilaterally amend or restate this Certificate, without a vote of the members, for the following limited purposes: (1) to delete the names and addresses of the initial Directors, (2) to delete the name and address of the initial registered agent or office, provided a statement of change is on file with the Secretary of State, (3) to change the name of the Association with the Secretary of State by adding, deleting, or changing a geographical attribute to the name, (4) to qualify the Association or to maintain its eligibility for any status that is in the best interests of the Association, such as a tax exemption, and (5) to conform this Certificate to changes in public law.

Amendment by Members. For all other purposes, an amendment must be approved by the Board of Directors and by members representing at least two-thirds of the votes or voting interests present, in person or by proxy, at a properly called meeting of the Association for which a quorum is obtained.

ARTICLE XI

AMENDMENT OF BYLAWS

The Board of Directors shall adopt the initial Bylaws of the Association. Thereafter, the power to modify, amend or repeal the Bylaws or to adopt new Bylaws shall be reserved exclusively to the Board of Directors of the Association unless delegated to the members by the Board of Directors as set forth in the Bylaws.

ARTICLE XII

ACTION BY WRITTEN CONSENT

Any action required or permitted to be taken at any meeting of members, directors or committee members of the Association may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing setting forth the action so taken shall be signed by a sufficient number of members, directors or committee members, as the case may be, as would be necessary to take that action at a meeting at which all persons entitled to vote on the action were present and voted. Members, directors or committee members may vote or approve of such consent or consents by electronic mail so long as the Board has established a directory of valid electronic mail addresses. Prompt notice of the taking of any action by members, directors or a

committee having a meeting by less than unanimous written consent shall be given to those members, directors or committee members who did not consent in writing to the action.

ARTICLE XIII

DISSOLUTION

In the event the Association is dissolved, the members shall, after all liabilities and obligations of the Association are paid or provision is made therefor, adopt a plan for the distribution of the remaining assets of the Association in such manner as will carry out the purposes of the Association as a homeowners association within the meaning of Section 528 of the IRC. The foregoing provision is intended to govern the distribution of the assets of the Association in the event of its dissolution in lieu of Section 22.304 of the Code.

ARTICLE XIV

INDEMNIFICATION

The Association shall indemnify any person who was, is, or is threatened to be made a named defendant or respondent in a proceeding (as hereinafter defined) because the person (a) is or was a director or officer of the Association, or (b) is or was serving at the request of the Association as a trustee, officer, partner, venturer, proprietor, director, 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 under the Act, as the same exists or may hereafter be amended. Such right shall be a contract right and shall include the right to be paid by the Association expenses incurred in defending any such proceeding in advance of its final disposition to the maximum extent permitted under the Act, as the same exists or may hereafter be amended. If a claim for indemnification or advancement of expenses hereunder is not paid in full by the Association within 90 days after a written claim has been received by the Association, the claimant may at any time thereafter bring suit against the Association to recover the unpaid amount of the claim, and if successful in whole or in part, the claimant shall be entitled to also be paid the expenses of prosecuting such claim. It shall be a defense to any such action that such indemnification or advancement of costs of defense is not permitted under the Act, but the burden of proving such defense shall be on the Association. Neither the failure of the Association (including its Board of Directors or any committee thereof, special legal counsel or members) to have made its determination prior to the commencement of such action that indemnification of, or advancement of costs of defense to, the claimant is permissible in the circumstances nor an actual determination by the Association (including its Board of Directors or any committee thereof, special legal counsel or members) that such indemnification or advancement is not permissible shall be a defense to the action or create a presumption that such indemnification or advancement is not permissible. In the event of the death of any person having a right of indemnification under the foregoing provisions, such right shall inure to the benefit of such person's heirs, executors, administrators and personal representatives. The rights conferred above shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, bylaw, resolution

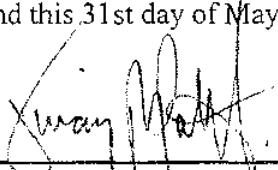
of members or directors, agreement or otherwise. To the extent permitted by then applicable law, the grant of mandatory indemnification to any person pursuant to this Article shall extend to proceedings involving the negligence of such person. The Association may additionally indemnify any person covered by the grant of mandatory indemnification contained in this Article to such further extent as is permitted by law and may indemnify any other person to the fullest extent permitted by law. The Association may purchase and maintain insurance or a similar arrangement (including, but not limited to, a trust fund, self-insurance, a letter of credit, or a guaranty or surety arrangement) on behalf of any person who is serving the Association (or another entity at the request of the Association) against any liability asserted against such person and incurred by such person in such a capacity or arising out of status of such a person, whether or not the Association would have the power to indemnify such person against that liability under this Article or by statute. Notwithstanding the other provisions of this Article, the Association may not indemnify or maintain insurance or a similar arrangement on behalf of any person if such indemnification or maintenance of insurance or similar arrangement would subject the Association to income or other tax under the Code.

ARTICLE XV

LIMITATION OF DIRECTOR AND OFFICER LIABILITY

A director or officer of the Association shall not be personally liable to the Association or its members for monetary damages for any act or omission in such director's or officer's capacity as a director or officer, except that this Article does not authorize the elimination or limitation of the liability of a director or officer to the extent the director or officer is found liable for: (a) a breach of the director's or officer's duty of loyalty to the Association; (b) 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; (c) 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; or (d) an act or omission for which the liability of a director or officer is expressly provided by an applicable statute. The foregoing elimination of liability to the Association and its members shall not be deemed exclusive of any other rights, limitations of liability or indemnity to which a director or officer may be entitled under any other provision of the Articles of Incorporation or Bylaws of the Association contract or agreement, vote of members or directors, principle of law or otherwise. Any repeal or amendment of this Article shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director or officer of the Association existing at the time of such repeal or amendment. In addition to the circumstances in which a director or officer of the Association is not personally liable as set forth in the foregoing provisions of this Article, the liability of a director or officer shall be eliminated to the full extent permitted by any amendment to the Code hereafter enacted that further eliminates or permits the elimination of the liability of a director or officer.

IN WITNESS WHEREOF, I have hereunto set my hand this 31st day of May, 2018.



Vinay B. Patel, Incorporator

EXHIBIT B

Those tracts and parcels of real property located in the City of Mansfield, Ellis and Johnson Counties, Texas and more particularly described as follows:

- **All property subject to the Declaration of Covenants, Conditions and Restrictions for Mill Valley, filed on August 9, 2019, and recorded under Instrument No. 1823031 in the Official Public Records of Ellis County, Texas, and filed on August 6, 2019, and recorded under Instrument No. 2018-21909 in the Official Public Records of Johnson County, Texas, including amendments and supplements thereto; and**
- **All property subject to the Final Plat of Mill Valley, an Addition to the City of Mansfield, Ellis County, according to the Plat or Map recorded under Instrument No. 1727452 in Drawer J, Slide 143-149 of the Plat Records of Ellis County, Texas; and**
- **All property subject to the Final Plat of Mill Valley, an Addition to the City of Mansfield, Johnson County, according to the Plat or Map recorded in Volume 11, Page 317, Slide D-577 of the Plat Records of Johnson County, Texas.**