

EXHIBIT F

BYLAWS

**VILLAGES OF PRAIRIE COMMONS WEST
HOMEOWNER'S ASSOCIATION, INC.**

(a Texas non-profit Corporation)

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**ARTICLE 1
INTRODUCTION**

1.1. **Property.** These Bylaws of Villages of Prairie Commons West Homeowner's Association, Inc., provide for the governance of the neighborhood regime (the "Property") known as Villages of Prairie Commons West, as more particularly described in that certain Declaration of Covenants, Conditions and Restrictions for Villages of Prairie Commons West Homeowner's Association, Inc., recorded or to be recorded in the Official Public Records of Collin County, Texas (the "**Declaration**").

1.2. **Parties to Bylaws.** All present or future Owners of Property and all other persons who use or occupy the Property in any manner are subject to these Bylaws, the Declaration, and the other Documents as defined in the Declaration. The mere acquisition or occupancy of the Property will signify that these Bylaws are accepted, ratified, and will be strictly followed.

1.3. **Definitions.** Words and phrases defined in the Declaration have the same meanings when used in these Bylaws. Article 1 of the Declaration is incorporated herein by reference.

1.4. **Nonprofit Purpose.** The Association is organized to be a nonprofit corporation.

1.5. **General Powers and Duties.** The Association, acting through the Board, has the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the Property as may be required or permitted by the Documents and Texas law. The Association may do any and all things that are lawful and which are necessary, proper, or desirable in operating for the best interests of its Members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Documents.

**ARTICLE 2
BOARD OF DIRECTORS**

2.1. **Governance.** Within one hundred and twenty (120) days after seventy-five percent (75%) of the total Lots which may be developed within the property and pursuant to the Declaration have been conveyed to Owners other than the Declarant (the "75% Trigger Date"), the Board will consist of three (3) members appointed by the Declarant. After the 75% Trigger Date, the Board will be elected or appointed as follows: (i) two (2) members will be appointed by the Declarant; and (ii) one (1) member will be appointed by Property owners other than the Declarant.

Within one hundred twenty (120) days after the end of the Declarant Control Period ("Declarant Transition Period"), or sooner at the Declarant's option, Declarant will call an organizational meeting of the Members of the Association for the purpose of electing, by vote of the Owners, directors to the Board. Should the annual meeting of the Association fall within the one hundred twenty (120) days the annual meeting shall be held and utilized for the purpose stated herein. Written notice of the organizational meeting must be given to an Owner of each Lot at least ten (10) days but not more than sixty (60) days before the meeting. **For the initial organizational meeting if held apart from the Annual Meeting, Owners of five percent (5%) of the Lots shall constitute a quorum.** The directors elected at the organizational meeting will serve as the Board until the next annual meeting of the Association or a special meeting of the Association called for the purpose of electing directors, at which time the staggering of terms will begin. The Board, by Resolution, may increase the number of Board Members from three (3) to five (5); if the number of Board Members is increased three shall serve a term of not less than two (2) years and two (2) shall serve a term of one (1) year. The terms shall be determined by number of votes received with the Members obtaining the higher votes serving the longer term. No Director may serve for more than a period of two (2) years without running for re-election. There shall be no limit to the number of terms or years which a Director may serve. The Board shall institute all such changes by Resolution of the Board and shall state the facts of such actions taken in the meeting minutes of a duly called meeting for this purpose.

2.2. Qualification. The following qualifications apply to the election or appointment of persons to the Board.

2.2.1. Owners. The directors must be Members of the Association or spouses of Members.

2.2.2. Entity Member. If a Property is owned by a legal entity, such as a partnership or corporation, any officer, partner, agent, or employee of that entity Member is eligible to serve as a director and is deemed to be a Member for the purposes of this Section. If the relationship between the entity Member and the director representing it terminates, that directorship will be deemed vacant.

2.2.3. Violation. No person may be elected or appointed as a director if any violation against the person or his Property is open and active at the time of election or appointment, provided he shall be given notice of the violation and a reasonable opportunity to cure the violation.

2.2.4. Litigation. No person may be elected or appointed as a director if the person is a party adverse to the Association or the Board in pending litigation to which the Association or the Board is a party.

2.3. Meetings of the Board.

2.3.1. Organizational Meeting of the Board. Within thirty (30) days after the annual meeting or election of Directors, the directors will convene an organizational meeting for the purpose of electing officers. The time and place of the meeting will be fixed by the Board and announced to the directors.

2.3.2. Regular Meetings of the Board. Regular meetings of the Board may be held at a time and place that the Board determines, from time to time, notwithstanding, during the period of Declarant control, at least one (1) such meeting must be held annually. After Declarant control ends the Board shall meet at least twice per year. Notice of regular meetings of the Board will be given to each director, personally or by telephone, written, or electronic communication, at least three (3) days prior to the date of the meeting.

2.3.3. Special Meetings of the Board. Special meetings of the Board may be called by the president or, if he is absent or refuses to act, by the secretary, or by any two (2) directors. At least three (3) days notice will be given to each director, personally or by telephone, written, or electronic communication, which notice must state the place, time, and purpose of the meeting.

2.3.4. Emergency Meetings. In case of emergency, the Board may convene a meeting after making a diligent attempt to notify each director by any practical method.

2.3.5. Conduct of Meetings. The president presides over meetings of the Board unless he/she delegates the responsibility to another and the secretary keeps, or causes to be kept, a record of resolutions adopted by the Board and a record of transactions and proceedings, occurring at meetings. **MEETINGS SHALL BE HELD IN AN ORDERLY FASHION.** A Board meeting is for the purpose of the Board to conduct business of the Association therefore, it is imperative Owners' and Board Members conduct themselves in a respectful and orderly fashion. Any person disrupting a meeting should be asked to leave the meeting.

2.3.6. Quorum. At meetings of the Board, a Majority of directors constitutes a quorum for the transaction of business, and the acts of the Majority of the directors present at a meeting at which a quorum is present are the acts of the Board. If less than a quorum is present at a meeting of the Board, the Majority of those present may adjourn the meeting from time to time. At any reconvened meeting at which a quorum is present, any business that may

have been transacted at the meeting as originally called may be transacted without further notice. Directors may not participate by proxy at meetings of the Board.

2.3.7. Telephone Meetings. Members of the Board or any committee of the Association may participate in and hold meetings of the Board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such meeting constitutes presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

2.3.8. Action without a Meeting. Any action required or permitted to be taken by the Board at a meeting may be taken without a meeting, if all directors individually or collectively consent in writing to such action. The written consent must be filed with the minutes of Board meetings. Action by written consent has the same force and effect as a unanimous vote. This Section does not apply to actions that require meetings under the Act.

2.4. Powers and Duties. The Board has all the powers and duties necessary for the administration of the Association and for the operation and maintenance of the Property. The Board may do all acts and things except those which, by law or the Documents, are reserved to the Members and may not be delegated to the Board. Without prejudice to the general and specific powers and duties set forth in laws or the Documents, or powers and duties as may hereafter be imposed on the Board by resolution of the Association, the powers and duties of the Board include, but are not limited to, the following:

2.4.1. Appointment of Committees. The Board, by resolution, may from time to time designate standing or ad hoc committees to advise or assist the Board with its responsibilities. The resolution may establish the purposes and powers of the committee created, provide for the appointment of a chair and committee Members, and may provide for reports, termination, and other administrative matters deemed appropriate by the Board. Members of committees will be appointed from among the Owners and residents.

2.4.2. Manager. The Board may employ a manager or managing agent for the Association, at a compensation established by the Board, to perform duties and services authorized by the Board.

ARTICLE 3 **OFFICERS**

3.1. **Designation.** The principal officers of the Association are the president, the secretary, and the treasurer. The Board may appoint one (1) or more vice-presidents and other officers and assistant officers as it deems necessary. The president and secretary must be directors. Other officers must be Members. Any two (2) offices may be held by the same person, except the offices of president and secretary. If an officer is absent or unable to act, the Board may appoint a director to perform the duties of that officer and to act in place of that officer, on an interim basis.

3.2. **Election of Officers.** The officers shall be elected no less than annually by the directors at the organizational meeting of the Board and hold office at the pleasure of the Board. Except for resignation or removal, officers hold office until their respective successors have been designated by the Board. There shall be no less than three and no more than five members of the Board. The Board shall have the right, if deemed to be appropriate or necessary, to increase the number of members from three to five, and must stagger terms of the Board regardless of the number of Directors who serve.

3.3. **Removal and Resignation of Board Members and Officers.** A Majority of directors may remove any officer, with or without cause, at any regular meeting of the Board or at any special meeting of the Board called for that purpose. A successor may be elected at any regular or special meeting of the Board called for that purpose. An officer may resign at any time by giving written notice to the Board. Unless the notice of resignation states otherwise, it is effective when received by the Board and does not require acceptance by the Board. The resignation or removal of an officer who is also a director does not constitute resignation or removal from the Board. A Board Member may be removed by majority vote of the Board of Directors notwithstanding, removal must be based on verifiable actions such as, but not limited to removal of a Board Member who sows discord among the Board, Officers, and Members of the Association, misses more than three consecutive meetings, or refuses or fails to perform their assigned duties. This list is not meant to be inclusive; other inappropriate actions by a Board Member that fosters strife or promotes division within the Board may be removed. Board Members and Officers must conduct themselves in a professional manner and treat their fellow Board Members and Officers with respect. If a Board Member is removed the remaining Board Members shall appoint a replacement from among the Members of the Association. The appointed Member shall serve the remainder of the term of the Board Member removed.

3.4. **Standard of Care.** In performing their duties, the officers are required to exercise the normal and customary standards of care as provided by the Texas State Property Code and by Section 3.105 of the Texas Business Organizations Code.

3.5. Description of Principal Offices.

3.5.1. President. As the chief executive officer of the Association, the president: (i) presides at all meetings of the Association and of the Board or appoints another to reside in his/her place; (ii) has all the general powers and duties which are usually vested in the office of president of a corporation organized under the laws of the State of Texas; (iii) has general supervision, direction, and control of the business of the Association, subject to the control of the Board; and (iv) sees that all orders and resolutions of the Board are carried into effect.

3.5.2. Vice President. The Vice President or Vice Presidents (including, without limitation, Executive Vice Presidents and Senior Vice Presidents), if any, shall generally assist the President and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to him by the President or the Board. In the event the President were to resign or be unable or unwilling to perform his/her duties at any time, the Vice President shall perform all the duties of the President until such a time that the President is able to resume his/her duties or in the case of death, resignation, or removal a new Director is appointed at which time the Board shall hold an Election of Officers to determine the Officers of the Board.

3.5.3. Secretary. The secretary: (i) keeps or causes to be kept, the minutes of all meetings of the Board and of the Association; (ii) has charge of such books, papers, and records as the Board may direct; (iii) maintains or causes to be maintained a record of the names and addresses of the Members for the mailing of notices; and (iv) in general, performs all duties incident to the office of secretary.

3.5.4. Treasurer. The treasurer: (i) is responsible for Association funds; (ii) keeps or causes to be kept, full and accurate financial records and books of account showing all receipts and disbursements; (iii) prepares or causes to be prepared all required financial data and tax returns; (iv) deposits or oversees the deposits of all monies or other valuable effects in the name of the Association in depositories as may from time to time be designated by the Board; (v) prepares or causes to be prepared the annual and supplemental budgets of the Association; (vi) reviews the accounts of the managing agent on a monthly basis in the event a managing agent is responsible for collecting and disbursing Association funds; and (vii) performs all the duties incident to the office of treasurer.

3.6. Authorized Agents. Except when the Documents require execution of certain instruments by certain individuals, the Board may authorize any person to execute instruments on behalf of the Association. In the absence of Board designation, the president and the secretary are the only persons authorized to execute instruments on behalf of the Association.

ARTICLE 4
MEETINGS OF THE ASSOCIATION

4.1. **Annual Meeting.** An annual meeting of the Association will be held annually on a date and time specified by the Board. The first annual meeting shall be held at least one hundred twenty (120) days after the transition from Declarant control and thereafter, on a date as shall be set by the Board. At annual meetings the Members will transact such business of the Association as may properly come before them.

4.2. **Special Meetings.** It is the duty of the president to call a special meeting of the Association if directed to do so by a Majority of the Board or by a petition signed by Owners of at least fifty one percent (51%) of the Properties. The meeting must be held within thirty (30) days after the receipt of petition once the validity of the petition is confirmed. The notice of any special meeting must state the time, place, and purpose of the meeting. No business, except the purpose stated in the notice of the meeting, may be transacted at a special meeting.

4.3. **Place of Meetings.** Meetings of the Association may be held at the Property or at a suitable place convenient to the Members, as determined by the Board.

4.4. **Notice of Meetings.** At the direction of the Board, written notice of Annual or Special meetings of the Association will be given to an Owner of each Property at least ten (10) days but not more than sixty (60) days prior to the meeting. Notices of meetings will state the date, time, and place the meeting is to be held. Notices will identify the type of meeting to be held and will state the particular purpose of a special meeting. Notices may also set forth any other items of information deemed appropriate by the Board.

4.5. **Ineligibility.** The Board may determine that no Member may vote at meetings of the Association if the Member has an open violation on their account with the Association before the date of a meeting at which Members will vote, provided each ineligible Member is given notice of the violation and an opportunity to cure the violation to become eligible. A determination of Members entitled to vote at a meeting of the Association is effective for any adjournment of the meeting, provided the date of the adjourned meeting is not more than forty-five (45) days after the original meeting.

4.6. **Voting Members List.** The Board will prepare or cause to be prepared and make available a list of the Association's voting Members in accordance with Section 22.158(b) of the Texas Business Organizations Code.

4.7. **Quorum.** The first time a meeting is called, whether regular or special, the presence at the meeting of Members, or of proxies, entitled to cast at least ten (10%) of all of the votes of the Association's Members, without regard to class, shall constitute a quorum notwithstanding for the Organizational Meeting at time of Declarant transfer, a special quorum allowance as outlined in Appendix B, Section B.2.9 of the Declarant's

Representations and Reservations shall apply. If the required quorum is not present at the initial meeting, additional meetings may be called, subject to the notice requirement hereinabove set forth, and the required quorum at such subsequent meeting(s) shall be one-half (1/2) of the quorum requirement for such prior meeting, provided however, that such second subsequent meeting must take place within thirty (30) days after the first meeting. The Association may call as many subsequent meetings as may be required to achieve a quorum (although the quorum requirement shall be reduced for each such meeting, in no event shall a quorum be less than one-tenth (1/10) of the votes of the Association). 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. After the first initial meeting for a Special Meeting only the quorum shall be twenty percent (20%) for all future Special Meetings and if quorum is not met at the first meeting the quorum shall be reduced by one-half (1/2) for the first reconvene meeting. If quorum is not met at the reconvene meeting, the quorum shall reduce to one-tenth (1/10th).

4.8. **Lack of Quorum.** If a quorum is present at no time ("Lack of Quorum") during a properly called meeting, a majority of the Members present, although not constituting a quorum, may vote to adjourn the meeting and reconvene with no further notice required. At the reconvened meeting pursuant to this provision, Members constituting a Regular Quorum and Special Quorum will be reduced to one-half (1/2) of the required Regular Quorum and Special Quorum at the preceding meeting; provided however, that such preceding meeting is held not later than thirty (30) days after the first (1st) meeting.

4.9. **Votes.** The vote of Members representing at least a Majority of the votes cast at any meeting at which a quorum is present binds all Members for all purposes, except when a higher percentage is required by these Bylaws, the Declaration, or by law. Cumulative voting is prohibited. When deemed appropriate by the Board and applicable law, electronic balloting and voting shall be allowed.

4.9.1. **Co-Owned Properties.** If a Property is owned by more than one Member, the vote appurtenant to that Property is cast in accordance with Section 82.110(a) of Act, which is summarized as follows. If only one of the multiple Owners of a Property is present at a meeting of the Association, that person may cast the vote allocated to that Property. If more than one of the multiple Owners is present, the vote allocated to that Property may be cast only in accordance with the Owners' unanimous agreement. Multiple Owners are in unanimous agreement if one of the multiple Owners casts the vote allocated to a Property and none of the other Owners makes prompt protest to the person presiding over the meeting. One vote per Lot.

4.9.2. **Corporation-Owned Properties.** If a Property is owned by a corporation, the vote appurtenant to that Property may be cast by any officer of the corporation in the absence of the corporation's written appointment of a specific person to exercise its vote. The vote of a partnership may be cast

by any general partner in the absence of the partners' written appointment of a specific person. The person presiding over a meeting or vote may require reasonable evidence that a person voting on behalf of a corporation or partnership is qualified to vote. One vote per Lot.

4.9.3. Association-Owned Properties. Votes allocated to a Property owned by the Association may be counted towards a quorum and for all ballots and votes except the election or removal of directors. The vote appurtenant to a Property owned by the Association is exercised by the Board. One vote per Lot.

4.10. Proxies. Votes may be cast in person or by written proxy. To be valid, each proxy must: (i) be signed and dated by a Member or his attorney-in-fact; (ii) identify the Property to which the vote is appurtenant; (iii) name the person or title (such as "presiding officer") in favor of whom the proxy is granted, such person having agreed to exercise the proxy; (iv) identify the meeting for which the proxy is given; (v) not purport to be revocable without notice; and (vi) be delivered to the secretary, to the person presiding over the Association meeting for which the proxy is designated, or to a person or company designated by the Board. Unless the proxy specifies a shorter or longer time, it terminates eleven (11) months after the date of its execution. To revoke a proxy, the granting Member must give actual notice of revocation to the person presiding over the Association meeting for which the proxy is designated. Unless revoked, any proxy designated for a meeting which is adjourned, recessed, or rescheduled is valid when the meeting reconvenes. A proxy may be delivered by email or fax. However, a proxy received by email or fax may not be counted to make or break a tie-vote unless the proxy has been acknowledged or sworn to by the Member, before and certified by an officer authorized to take acknowledgments and oaths.

4.11. Conduct of Meetings. The president, or any person designated by the Board, presides over meetings of the Association. The secretary keeps, or causes to be kept, the minutes of the meeting which should record all resolutions adopted and all transactions occurring at the meeting, as well as a record of any votes taken at the meeting.

4.12. Order Of Business. Unless the notice of meeting states otherwise or the assembly adopts a different agenda at the meeting, the order of business at meetings of the Association is as follows:

- Determine votes present by roll call or check-in procedure
- Announcement of quorum
- Proof of notice of meeting
- Approval of minutes of preceding meeting
- Reports of Officers (if any)
- New Business
- Unfinished or old business

4.13. **Adjournment of Meeting.** At any meeting of the Association, a Majority of the Members present at that meeting, either in person or by proxy, may adjourn the meeting, to another time and place.

4.14. **Action without Meeting.** Subject to Board approval, any action which may be taken by a vote of the Members at a meeting of the Association may also be taken without a meeting by written consents. The Board may permit Members to vote by any method allowed by Section 22.160(b)(c) and (d) of the Texas Business Organizations Code, which may include hand delivery, mail, fax, email, or any combination of these. Written consents by Members representing at least a Majority of votes in the Association, or such higher percentage as may be required by the Documents, constitutes approval by written consent. This Section may not be used to avoid the requirement of an annual meeting and does not apply to the election of directors.

ARTICLE 5 RULES

5.1. **Rules.** The Board has the right to establish and amend, from time to time, reasonable rules and regulations for: (i) the administration of the Association and the Documents; (ii) the maintenance, management, operation, use, conservation, and beautification of the Property; and (iii) the health, comfort, and general welfare of the residents; provided, however, that such rules may not be in conflict with law or the Documents. The Board will, at all times, maintain the then current and complete rules in a written form which can be copied and distributed to the Members and/or placed on the Association's website.

5.2. **Adoption and Amendment.** Any rule and regulation may be adopted, amended, or terminated by the Board, provided that the rule and the requisite Board approval are properly recorded as a resolution in the minutes of the meeting of the Board. The Board shall cause to be delivered by U.S. Mail a copy of the resolution to every Owner.

5.3. **Distribution.** On request from any Member or resident, the Board will provide a current and complete copy of rules and regulations. Additionally, the Board will, from time to time, distribute copies of the current and complete rules and regulations to Owners through the web or internet by posting on the Association's web page or pages and, if the Board so chooses, to non-Member residents.

ARTICLE 6 ENFORCEMENT

6.1. **Remedies.** The violation of any provision of the Documents gives the Board the following rights, in addition to any other rights set forth in the Documents:

6.1.1. **Fines.** To impose reasonable fines, if notice and an opportunity

to be heard are given. Fines shall not exceed \$750.00 per violation occurrence.

6.1.2. Self-Help. After notice and an opportunity to be heard are given, except in case of an emergency, to enter the Property or Common Element in which, or as to which, The violation or breach exists and to summarily abate and remove, at the expense of the defaulting Owner, the costs of which shall be assessed to the Owner's account, any structure, thing, or condition (except for additions or alterations of a permanent nature that may exist in that Property) that is contrary to the intent and meaning of the provisions of the Documents. The Board may not be deemed liable for any manner of trespass by this action.

6.1.3. Courts. To enjoin, abate, or remedy, by appropriate legal proceedings, the continuance of any breach.

6.2. Notice and Hearing. Before imposing a fine or exercising self-help abatement, the Board must give the Owner at least one (1) written notice of violation and a minimum of ten (10) days to cure the violation except in the case of emergencies wherein the Board believes that for the safety and well being of Owners and Residents in the community or for the safety and protection of property regardless of whether it is owned by the Owner, another party or the Association. In such cases, the Board shall only be required to provide a seventy-two (72) hour notice which may be mailed, posted to the Owner's door or residence, or in cases where a good physical address is not provided and an emergency situation warrants it, the notice may be sent by e-mail when a valid e-mail account is on file. Owners may request a hearing before a committee selected by the Board by submitting a written request for hearing within thirty (30) days of notice of violation notice. Notice of hearing date and time must be provided in writing to the Owner within ten (10) days of the date of the receipt of Owners request for a hearing. The committee shall endeavor to set a hearing date within thirty (30) days of the date the written request is received however, if conflicting schedules or other such complications arise, the Board shall have up to sixty (60) days in which to set a hearing date. If an owner appeals the decision of the committee after a hearing, the Owner shall have the right to appeal to the Board. The Board shall set an appeal hearing within thirty (30) days of receipt of the written request. Written notice of the Board's decision must be delivered by U.S. Mail to the Owner no later than ten (10) days after the hearing date. The Board's decision shall be final. A hearing may be rescheduled at the written request of the Owner or the Board.

6.2.1. Notice of Violation. The Board's written violation notice will contain the following: (i) the date the violation notice is prepared or mailed; (ii) a description of the violation; (iii) a reference to the rule or provision of the Documents that is being violated when possible; (iv) a description of the action required to cure the violation; (v) the amount of the fine to be levied and/or the abatement action to be taken; (vi) the date the fine begins accruing or abatement action becomes possible; and (vi) a statement that not later than the 30th day

after the date of the violation notice, the Owner may request a hearing before the Board to contest the fine or the abatement action. Only one (1) notice of not less than ten (10) days shall be required.

6.2.2. Notice to Resident. In addition to giving the written violation notice to the Owner, the Board may also give a copy of the notice to the non-Owner resident, if the Board deems it appropriate. At the discretion of the Board, a tenant or guest of an Owner may be held liable for fines for certain types of violations. If tenant or guest fails to pay the fine after thirty (30) days, the fine will be assessed to the Owners account as the responsible party.

6.2.3. Pending Hearing. Pending the hearing, the Board may continue to exercise the Association's other rights and remedies for the violation, as if the declared violation were valid. The Owner's request for a hearing suspends only the levy of the fine or the abatement action described in the notice.

6.2.4. Hearing. Hearings before the committee shall be held in closed session. Appeal hearings held before the Board may be held in closed or executive session. At all hearings, the panel will consider the facts and circumstances surrounding the violation. The Owner may attend the hearing in person, may be represented by another person or written communication. No audio or video recording of any hearing may be made.

6.2.5. Minutes of Hearing. The minutes of the hearing must contain a statement of the results of the hearing and the amount of fine, if any, imposed, or abatement action, if any, authorized. A copy of the violation notice and request for hearing should be placed in the minutes of the hearing. If the Owner appears at the hearing, the notice requirement will be deemed satisfied.

6.3. Imposition of Fine. Within thirty (30) days after levying the fine or authorizing the abatement, the Board must give the Owner notice of the levied fine or abatement action. If the fine or action is announced at the hearing at which the Owner is actually present, the notice requirement will be satisfied. Otherwise, the notice must be in writing.

6.3.1. Amount. The Board may set fine amounts on a case by case basis, provided the fine is reasonable in light of the nature, frequency, and effects of the violation. The Board may establish a schedule of fines for certain types of violations with varying fine amounts other than those listed herein so long as the cumulative total does not exceed the maximum fine amount of \$750.00. Unless the Board adopts an alternate Fining Schedule, fines may be levied in increments as follows: \$50.00 for First Fine, \$75.00 for Second Fine, and \$100.00 for Third Fine. The Board may, by Resolution, adopt an alternate Notice and Fining Policy which may supplement all or any portion of this Section of the Bylaws. Notices between fines shall be a

minimum of five (5) days before another fine is levied. After the Third Fine if the violation is not abated fines shall continue to accrue at the rate of \$25.00 every week until the violation is abated or the maximum fine amount is reached at which time the violation process shall start over. The amount and cumulative total of a fine must be reasonable in comparison to the violation. The Association or its Managing Agent shall notify the Owner by sending a Fine Notice each time a fine is added. Recurring violations within a six (6) month period will be subject to immediate fine upon one (1) written notification to the Owner. Each day a violation continues may constitute a new violation.

6.3.2. Type of Fine. If the violation is ongoing or continuous, the fine may be levied on a periodic basis (such as daily, weekly, or monthly). If the violation is not ongoing, but is instead sporadic or periodic, the fine may be levied on a per occurrence basis.

6.3.3. Other Fine-Related. The Association is not entitled to collect a fine from an Owner to whom it has not given notice and an opportunity to be heard. The Association may not charge interest on unpaid fines. The Association may not foreclose its assessment lien on a debt consisting solely of fines. The Board may adopt a collection policy that applies Owners' payments to unpaid fines before retiring other types of assessments.

6.4. Additional Enforcement Rights. Notwithstanding the notice and hearing requirement, the Board may take immediate and appropriate action, without giving the notices required in this Article, against violations of the Documents which, in the Board's opinion, are: (i) self-evident, such as vehicles parked illegally or in violation of posted signs which shall based on applicable local laws and ordinances carry with it the right by the Association to have such violating vehicles towed at the Owner's expense; (ii) threatening to life or property; or (iii) repeat violations of the same provision by the same Owner to whom prior notices and demands have been given for the same violation. Further, the provisions of this Article do not apply to specific remedies provided in the Documents for certain violations, such as nonpayment of assessments.

ARTICLE 7

OBLIGATIONS OF OWNERS

7.1. Notice of Sale. Any Owner intending to sell or convey his Property or any interest therein must give written notice to the Board of his intention, together with: (i) the address or legal description of the Property being conveyed; (ii) the name and address of the intended purchaser; (iii) the name, address, and phone number of the title company or attorney designated to close the transaction; (iv) names and phone numbers of real estate agents, if any, representing seller and purchaser; and (v) scheduled date of closing. An Owner will, furnish this information to the Board at least ten (10) business days before the scheduled date of

closing or conveyance. The requirements of this Section may be satisfied by giving the Association a copy of an accepted resale contract in connection with the Owner's request to the Association for a resale certificate.

7.2. **Proof of Ownership.** On request by the Association from time to time, any person who purports to be an Owner or the agent of an Owner must furnish to the Board evidence of ownership of the Property. A copy of the recorded deed is the customary evidence. This requirement may be satisfied by receipt of a Board-approved form that is completed and acknowledged by a title company or attorney at time of conveyance of the Property or any interest therein. The Association may refuse to recognize a person as a Member unless the requested documentation is provided.

7.3. **Owners' Information.** Within thirty (30) days after acquiring an ownership interest in a Property, the Owner must provide the Association with the Owner's mailing address, telephone number, and driver's license number, if any; the name and telephone number of any resident other than the Owner; and the name, address, and telephone number of any person managing the Property as agent of the Property Owner. An Owner must notify the Association within thirty (30) days after he has notice of a change in any information required by this Section, and must provide the information on request by the Association from time to time.

7.4. **Mailing Address.** The Owner or the several co-Owners of a Property must register and maintain one mailing address to be used by the Association for mailing of notices, demands, and all other communications. If an Owner fails to provide the Association with up to date information, the Association shall use the property address and all notices delivered to the property address shall be deemed as duly noticed and delivered.

7.5. **Registration of Mortgagees.** Within thirty (30) days after granting a lien against his Property, the Owner must provide the Association with the name and address of the holder of the lien. The Owner must notify the Association within thirty (30) days after he has notice of a change in the information required by this Section. Also, the Owner will provide the information on request by the Association from time to time.

7.6. **Assessments.** All Owners are obligated to pay assessments imposed by the Association to meet the common expenses as defined in the Declaration. Assessments are not contingent upon the existence of Common Areas or Amenities or any other similar facility. A Member is deemed to be in good standing and entitled to vote at any meeting of the Association if he does not have any outstanding violations against his person or property.

7.7. **Compliance with Documents.** Each Owner will comply with the provisions and terms of the Documents, and any amendments thereto. Further, each Owner will always endeavor to observe and promote the cooperative purposes for which the Property was established.

ARTICLE 8

8.1. Resale Certificates. Any officer may prepare or cause to be prepared, certify, and execute resale certificates in accordance with Section 82.157 of the Act. The Association or its managing agent may charge a reasonable fee for preparing resale certificates. The Association may refuse to furnish resale certificates until the fee is paid. Any unpaid fees may be assessed against the Property for which the certificate is furnished. Refer to the Covenants, Conditions and Restrictions for specific information regarding the Resale Certificate process. The Declaration of the Association will contain information about this process.

ARTICLE 9 NOTICES

9.1. Co-Owners. If a Property is owned by more than one person, notice to one co-Owner is deemed notice to all co-Owners.

9.2. Delivery of Notices. Any written notice required or permitted by these Bylaws may be given personally, by mail, by fax, by email, or by any other method permitted by the Texas Business Organizations Code. If mailed, the notice is deemed delivered when deposited in the U.S. mail addressed to the Member at the address shown on the Association's records. If transmitted by fax or email, the notice is deemed delivered on successful transmission of the facsimile or email.

9.3. Waiver of Notice. Whenever a notice is required to be given to an Owner, Member, or director, a written waiver of the notice, signed by the person entitled to the notice, whether before or after the time stated in the notice, is equivalent to giving the notice. Attendance by a Member or director at any meeting of the Association or Board, respectively, constitutes a waiver of notice by the Member or director of the time, place, and purpose of the meeting. If all Members or directors are present at any meeting of the Association or Board, respectively, no notice is required and any business may be transacted at the meeting.

ARTICLE 10 DECLARANT PROVISIONS

10.1. Conflict. The provisions of this Article control over any provision to the contrary elsewhere in these Bylaws.

10.2. **Board of Directors.** During the Declarant Control Period, the initial directors will be appointed by Declarant and need not be Owners or residents. Directors appointed by Declarant may not be removed by the Owners and may be removed by Declarant only. Declarant has the right to fill vacancies in any directorship vacated by a Declarant appointee. **During the Declarant control period, the sole responsibility and obligation of the Board of Directors shall be to maintain the corporation books of the Association and maintain the Association in good corporate standing with Secretary of State of the State of Texas and in good standing with the Office of the Comptroller of Public Accounts of the State of Texas; and to oversee the contractual obligations of the Association.**

10.3. **Organizational Meeting.** Within one hundred and twenty (120) days after the end of the Declarant Control Period, or sooner at Declarant's option, Declarant or Managing Agent will call an organizational meeting of the Members. Notice of the organizational meeting will follow the protocols for notices as described in these Bylaws or Declaration.

ARTICLE 11 **AMENDMENTS TO BYLAWS**

11.1. **Authority.** Declarant may amend these Bylaws at any time and from time to time without consent or joinder of the Board of Directors or Members during the Declarant Control Period. These Bylaws may not be amended by the Board without approval by the Declarant during the period of Declarant control. After the period of Declarant control, the Board may amend these Bylaws without the consent or joinder of the Members. These Bylaws may be amended by the simple majority vote of the Board according to the terms of this Article.

11.2. **Declarant Protection.** During the Development Period, no amendment of these Bylaws may affect the Declarant's rights herein without the Declarant's written and acknowledged consent. Specifically, this Section and the article titled "Declarant Provisions" may not be amended without the prior written approval of the Declarant. The Declarant's written consent must be part of the amendment instrument.

ARTICLE 12 **GENERAL PROVISIONS**

12.1. **Compensation.** A director, officer, Member, or resident may not receive any pecuniary profit from the operation of the Association, and no funds or assets of the Association may be paid as a salary or as compensation to, or be distributed to, or inure to the benefit of a director, officer, Member, or resident. Nevertheless,

i. Reasonable compensation may be paid to a director, officer, Member, or resident for services rendered to the Association in other capacities.

ii. A director, officer, Member, or resident may, from time to time, be reimbursed for his actual and reasonable expenses incurred on behalf of the Association in connection with the administration of the affairs of the Association, provided the expense has been approved by the Board.

iii. The Board may budget and use Association funds to purchase awards, certificates, a celebratory meal, or other customary tokens or demonstrations of appreciation for volunteer activities.

iv. This provision does not apply to distributions to Property Owners permitted or required by the Declaration or the Act.

12.2. **Conflicting Provisions.** If any provision of these Bylaws conflicts with any provision of the laws of the State of Texas, the conflicting Bylaws provision is null and void, but all other provisions of these Bylaws remain in full force and effect. In the case of any conflict between the certificate of formation of the Association and these Bylaws, the certificate of formation controls. In the case of any conflict between the Declaration and these Bylaws, the Declaration controls.

12.3. **Severability.** *Whenever possible, each provision of these Bylaws will be interpreted in a manner as to be effective and valid. Invalidation of any provision of these Bylaws, by judgment or court order, does not affect any other provision which remains in full force and effect.*

12.4. **Construction.** The effect of a general statement is not limited by the enumerations of specific matters similar to the general. The captions of articles and sections are inserted only for convenience and may not be construed as defining or modifying the text to which they refer. The singular is construed to mean the plural, when applicable, and the use of masculine or neuter pronouns includes the feminine.

12.5. **Fiscal Year.** The fiscal year of the Association will be the calendar year unless otherwise set by resolution of the Board, and is subject to change from time to time as the Board determines.

12.6. **Waiver.** No restriction, condition, obligation, or covenant contained in these Bylaws may be deemed to have been abrogated or waived by reason of failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

12.7. **Indemnification.** To the fullest extent permitted by applicable law, the Association will indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by

reason of the fact that such person is or was a, director, officer, committee member, employee, servant, or agent of the Association against expenses (including attorney's fees, judgments, fines, and amounts paid in settlement) actually and reasonably incurred by such person in connection with such action, suit or proceeding if it is found and determined by the Board or a court that such person; (i) acted in good faith and in a manner which such person reasonably believed to be in, or not opposed to, the best interests of the Association; or (ii) with respect to any criminal action or proceeding, had no reasonable cause to believe such conduct was unlawful. The termination of any action, suit, or proceeding by settlement, or upon a plea of nolo contendere or its equivalent, will not of itself create a presumption that the person did not act in good faith or in a manner reasonably believed to be in, or not opposed to, the best interests of the Association, or, with respect to any criminal action or proceeding, had reasonable cause to believe that such conduct was unlawful.

By: 
Mehrdad Moayed, Declarant

I, Victor Tannous, Secretary of the Villages of Prairie Commons West Homeowners Association do hereby confirm these Bylaws were reviewed and approved by the Board of Directors and are hereby adopted as the Bylaws of the Association.

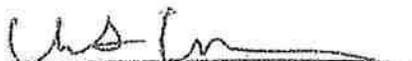

Victor Tannous, Secretary

Exhibit F-1

Villages of Prairie Commons West Homeowners Association, Inc.

Certificate of Formation

Articles of Incorporation

Form 202

Secretary of State
P.O. Box 13697
Austin, TX 78711-3697
FAX: 512/463-5709

Filing Fee: \$25



**Certificate of Formation
Nonprofit Corporation**

Filed in the Office of the
Secretary of State of Texas
Filing #: 802395173 02/19/2016
Document #: 656860890002
Image Generated Electronically
for Web Filing

Article 1 - Corporate Name

The filing entity formed is a nonprofit corporation. The name of the entity is :

Villages of Prairie Commons West Homeowner's Association, Inc.

Article 2 - Registered Agent and Registered Office

A. The initial registered agent is an organization (cannot be corporation named above) by the name of:

OR

B. The initial registered agent is an individual resident of the state whose name is set forth below:

Name:

Mehrdad Moayedi

C. The business address of the registered agent and the registered office address is:

Street Address:

1800 Valley View Lane, Suite 300 Farmers Branch TX 75234

Consent of Registered Agent

A. A copy of the consent of registered agent is attached.

OR

B. The consent of the registered agent is maintained by the entity.

Article 3 - Management

A. Management of the affairs of the corporation is to be vested solely in the members of the corporation.

OR

B. Management of the affairs of the corporation is to be vested in its board of directors. The number of directors, which must be a minimum of three, that constitutes the initial board of directors and the names and addresses of the persons who are to serve as directors until the first annual meeting or until their successors are elected and qualified are set forth below.

Director 1: **Mehrdad Moayedi**

Title: **Director**

Address: **1800 Valley View Lane, Suite 300 Farmers Branch TX, USA 75234**

Director 2: **Micheal Dees**

Title: **Director**

Address: **1800 Valley View Lane, Suite 300 Farmers Branch TX, USA 75234**

Director 3: **Victor Tannous**

Title: **Director**

Address: **1800 Valley View Lane, Suite 300 Farmers Branch TX, USA 75234**

Article 4 - Organization Structure

A. The corporation will have members.

or

B. The corporation will not have members.

Article 5 - Purpose

The corporation is organized for the following purpose or purposes:

Homeowner's Association

Supplemental Provisions / Information

[The attached addendum, if any, is incorporated herein by reference.]

Effectiveness of Filing

A. This document becomes effective when the document is filed by the secretary of state.

OR

B. This document becomes effective at a later date, which is not more than ninety (90) days from the date of its signing. The delayed effective date is:

Organizer

The name and address of the organizer are set forth below.

Mehrdad Moayed **1800 Valley View Lane, Suite 300, Farmers Branch, Texas 75234**

Execution

The undersigned affirms that the person designated as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized under the provisions of law governing the entity to execute the filing instrument.

Mehrdad Moayed

Signature of organizer.

FILING OFFICE COPY

**ARTICLES OF INCORPORATION
OF
VILLAGES OF PRAIRIE COMMONS WEST HOMEOWNERS ASSOCIATION, INC.
(A Non-Profit Corporation)**

The undersigned natural person of the age of eighteen (18) years or more, acting as the sole incorporator of a corporation under the Texas Non-Profit Corporation Act, does hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE ONE

The name of the corporation is Villages of Prairie Commons West Homeowner's Association, Inc.

ARTICLE TWO

The corporation is a non-profit corporation.

ARTICLE THREE

The period of its duration is perpetual.

ARTICLE FOUR

The purposes for which the corporation is organized are to exercise all powers and privileges and perform all duties and obligations of the corporation as granted and required in the Declaration of Covenants, Conditions and Restrictions for Villages of Prairie Commons West Homeowners Association Inc. recorded or to be recorded in the Records of Collin County, Texas (the "Declaration"), and to be treated as a homeowners' association within the meaning of the Internal Revenue Code, and to do all other things necessary and proper to accomplish any and all of the purposes and to exercise such of the general powers of a non-profit corporation.

ARTICLE FIVE

The corporation shall have members as provided in the Declaration.

ARTICLE SIX

The address of its initial registered office is 1800 Valley View Lane, Suite 300, Farmers Branch, TX 75234 and the name of its initial registered agent at such address is Mehrdad Moayedi.

ARTICLE SEVEN

The number of directors constituting the initial Board of Directors is three (3) and the name and address of the person who is to serve as the director of the corporation as named in the Certificate of Formation for the term set forth opposite his name or until his successor is elected and qualified is:

<u>NAME</u>	<u>ADDRESS</u>	<u>INITIAL TERM OF OFFICE</u>
Mehrdad Moayed	1800 Valley View Lane, Suite 300 Farmers Branch, TX 75234	Until first election or upon resignation or removal, whichever comes first
Michael Dees	1800 Valley View Lane, Suite 300 Farmers Branch, TX 75234	Until first election or upon resignation or removal, whichever comes first
Victor Tannous	1800 Valley View Lane, Suite 300 Farmers Branch, TX 75234	Until first election or upon resignation or removal, whichever comes first

The right of members to cumulative voting in the election of directors is expressly prohibited.

ARTICLE EIGHT

The address of the incorporator is 1800 Valley View Lane, Suite 300, Farmers Branch, Texas 75234.

ARTICLE NINE

Except as may be provided in the By-Laws of the corporation, the power to alter, amend, or repeal the By-Laws or to adopt new By-Laws of the corporation shall be by the affirmative vote or written consent, or combination thereof, of the Declarant or after the Declarant Control Period, by majority vote of the Board of Directors, provided however, the By-Laws as amended by the Board of Directors and the power so conferred may be repealed by a vote of not less than fifty-one percent (51%) of the members.

ARTICLE TEN

Any action authorized or required by the Texas Non-Profit Corporation Act to be taken at any annual or special meeting of members, board of directors, or any committee thereof, or any action which may be taken at any annual or special meeting of members, 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 have been signed by the holder or

holders of a sufficient number of voted to take such action at a meeting at which all members were present and voted.

ARTICLE ELEVEN

No director of the corporation shall be liable to the corporation or its members for monetary damages for an act or omission in the director's capacity as a director, except for liability (1) for any breach of the director's duty of loyalty to the corporation or its members, (2) for acts or omissions not in good faith that constitute a breach of duty of the director to the corporation or an act or omission that involves intentional misconduct or a knowing violation of law, (3) for any transaction from which the director received an improper benefit, whether or not the benefit resulted from an act taken within scope of the director's office, and (4) for acts or omissions for which the liability of a director is expressly provided by statute. Any repeal or amendment of this Article by the members of the corporation shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director of the corporation existing at the time of such repeal or amendment. In addition to the circumstances in which a director of the corporation is not personally liable as set forth in the preceding sentences, a director shall not be liable to the fullest extent permitted by any amendment to the Texas statutes hereafter enacted that further limits the liability of a director.

ARTICLE TWELVE

The corporation is a non-profit corporation, without capital stock, organized solely for the purposes specified in Article Four, and no part of its property, whether income or principal, shall ever inure to the benefit of any director, officer, or employee of the corporation, or any individual having a personal or private interest in the activities of the corporation, nor shall any such director, officer, employee, or individual receive or be lawfully entitled to receive any profit from the operations of the corporation except a reasonable allowance for salaries and other compensation for personal services actually rendered in carrying out the corporation's stated purposes.

ARTICLE THIRTEEN

These articles may be amended by the affirmative vote or written consent of Owners (all Classes) owning at least 67% of the votes, provided that so long as the Class B membership provided for in the Declaration exists, Declarant may determine whether any amendment of these Articles shall require a prior written approval.

IN WITNESS WHEREOF, the undersigned has set his hand on 19th Day of February,
2016.

Sole incorporator of the
Villages of Prairie Commons West
Homeowner's Association, Inc.



Mehrdad Moayedi, Declarant / Organizer

Exhibit F-2

Villages of Prairie Commons West Homeowners Association, Inc.

Consent in Lieu of Organizational Meeting

**CONSENT OF DIRECTORS IN LIEU OF
ORGANIZATIONAL MEETING**

VILLAGES OF PRAIRIE COMMONS WEST HOMEOWNER'S ASSOCIATION, INC.

The undersigned, being all of the members of the Board of Directors of Villages of Prairie Commons West Homeowner's Association, Inc., a Texas non-profit corporation (hereinafter referred to as the "Association"), do hereby consent, pursuant to the Texas Business Organization Code, to the adoption of the following resolutions:

1. DIRECTORS

RESOLVED, that each of the undersigned, being all of the directors of the Association, as named in its Certificate of Formation filed with the Secretary of State of the State of Texas on the 19th day of February, 2016, does hereby accept appointment to such office and does hereby agree to serve as a director of the Association until the first annual meeting of the members and until said director's successor or successors have been duly elected and qualified or until his or her earlier death, resignation, retirement, disqualification or removal from office.

2. BYLAWS

RESOLVED, that the form of bylaws are approved and adopted as the Bylaws of the Association, and the Secretary of the Association is instructed to insert the original thereof in the minute book of the Association.

3. OFFICERS

RESOLVED, that each of the following-named persons be and they hereby are elected as officers of the Association for the office or offices set forth below opposite his or her name, and to hold any such office to which elected until the first annual meeting of the Board of Directors of the Association and until his or her successor should be chosen and qualified in his or her stead, or until his or her earlier death, resignation, retirement, disqualification or removal from office:

Mehrdad Moayedi - President

Michael Dees - Vice President

Victor Tannous - Secretary/Treasurer

4. REGISTERED OFFICE; REGISTERED AGENT

RESOLVED, that the registered office of the Association is to be established and maintained at 1512 Crescent Drive, Suite 112, Carrollton, Texas 75006, and that Essex Association Management, L.P. is hereby appointed as registered agent of the corporation in said office.

5. BOOKS AND RECORDS

RESOLVED, that the Secretary of the Association be and hereby is authorized and directed to procure all necessary books and records of the Association.

6. ORGANIZATIONAL EXPENSES

RESOLVED, that the President of the Association or other officer be and hereby is authorized and directed to pay all fees, expenses and costs incident to or necessary for the incorporation and organization of the Association and to reimburse any person who may have paid any of such fees, expenses and costs.

7. CORPORATE SEAL

RESOLVED, that a corporate seal is not adopted at this time and that no impression of a corporate seal is required on any Association document.

8. DEPOSITORY RESOLUTIONS

RESOLVED, that an account shall be established in the name of the Association with a financial institution to be determined by the Board (the "Bank"), under the rules and regulations as prescribed by said Bank wherein may be deposited any of the funds of this Association, whether represented by cash, checks, notes or other evidences of debt, and from which deposit withdrawals are hereby authorized in the name of the Association by any one of the following persons:

Mehrdad Moayedi, President
Ronald J. Corcoran, Essex Association Management, L.P.
Anna Corcoran, Essex Association Management, L.P.

BE IT FURTHER RESOLVED, that the Bank is hereby authorized to honor any and all withdrawal items against the Association's funds, although payable to the officer or agent signing or countersigning the same and whether presented for encashment or for credit to the personal account of such officer or agent or any other person, and said Bank need make no inquiry concerning such items and/or the disposition of the money, items, or credit given therefor.

IN WITNESS WHEREOF, the undersigned have executed this instrument as of and effective the
__11th__ day of __September__, 2017.


MEHRDAD MOAYEDI


MICHAEL DEES


VICTOR TANNOUS

BEING ALL OF THE DIRECTORS OF
THE BOARD OF DIRECTORS OF THE
ASSOCIATION



Filed and Recorded
Official Public Records
Stacey Kemp, County Clerk
Collin County, TEXAS
09/13/2017 01:21:13 PM
\$510.00 DLAIRD
20170913001228890

