

**BYLAWS
OF
RH HOMEOWNERS ASSOCIATION
A NON-PROFIT CORPORATION**

The name of the association is RH Homeowners Association (the “Association”). The principal office of the Association shall be in Dallas County, Texas.

**ARTICLE I
PURPOSES AND PARTIES**

Section 1.01. Purpose. The purpose for which the Association is formed is to own, maintain and administer the Common Properties, and to perform any and all other functions of the Association as described in and pursuant to that certain Declaration of Covenants, Conditions and Restrictions for Red Hawk, Coppell, Texas recorded in the real property records of Dallas County, Texas (the “Declaration”).

Section 1.02. Parties. All present or future Owners, tenants and future tenants of any Lot, or any other person who might use in any manner the facilities of the Property are subject to the provisions and any regulations set forth in these Bylaws. The mere acquisition, lease or rental of any Lot or the mere act of occupancy of a Lot will signify that these Bylaws are accepted, approved, ratified, and will be complied with.

**ARTICLE II
DEFINITIONS**

The definitions contained in the Declaration are incorporated herein by reference.

**ARTICLE III
MEMBERSHIP AND VOTING RIGHTS IN
THE ASSOCIATION**

Section 3.01. Membership. Each and every Owner shall automatically be a Member of the Association without the necessity of any further action on his part, subject to the terms of the Declaration, the Articles of Incorporation and these Bylaws of the Association and the rules and regulations with respect to the Common Properties from time to time promulgated by the Association. The terms and provisions set forth in these Bylaws of the Association are binding upon all Owners. Membership of an Owner in the Association shall be appurtenant to and may not be separated from the interest of such Owner in and to any portion of the Property. Ownership of any portion of the Property shall be the sole qualification for being a Member; provided, however, a Member’s voting rights, as herein described, or privileges in the Common Properties, or both may be regulated or suspended as provided in the Declaration, these Bylaws of the Association and/or the Association rules. No person or entity shall be a Member by reason

of ownership of any park, public land, road, easement, right-of-way or mineral interest. In addition, any person or entity that holds an interest in and to all or any part of the Property merely as security for the performance of an obligation shall not be a Member.

Section 3.02. Transfer. Membership of an Owner in the Association may not be severed from or in any way transferred, pledged, mortgaged or alienated except upon the sale or assignment of said Owner's interest in all or any part of a Lot and then only to the purchaser or assignee as the new Owner thereof. Such membership shall not be severed by the encumbrance by an Owner in all or any part of a Lot. Any attempt to make a prohibited severance, transfer, pledge, mortgage or alienation shall be void and of no further force or effect, and will be reflected upon the books and records of the Association. Any transfer of the fee title to a lot, tract or parcel of real estate out of or a part of a Lot shall automatically operate to transfer the membership to the new Owner thereof. In the event an Owner should fail or refuse to transfer the membership in the Association registered in such Owner's name to the transferee of such Owner's interest in all or any part of a Lot, the Association shall have the right to record the transfer upon the books and records of the Association.

For purposes of allowing a person to exercise the right to vote or otherwise give assent as a Member (collectively referred to herein as the "exercise of voting rights"), together with all corresponding requirements regarding notice, determination of class membership and tabulation of voting rights, the Association will use the ownership of a Lot as reflected on the books of the Association as of (i) the last day of the most recently closed fiscal year or (ii) the 90th day prior to the date of the planned exercise of voting rights, whichever is closer in time to such planned exercise of voting rights, such date being referred to herein as the "Record Date"; provided however, the foregoing is subject to the right of a person to exercise the voting rights as an Owner of a given Lot notwithstanding the lack of being the Owner of such Lot according to the records of the Association on the Record Date by supplying to the Board of Directors of the Association satisfactory written evidence of such person's ownership of the subject Lot prior to or at the time of the planned exercise of voting rights. Where a person becomes allowed to exercise the voting rights associated with a given Lot pursuant to the preceding proviso, such person will be deemed to have waived all rights of notice associated with the planned exercise of voting rights. Furthermore, where such person has supplied the required evidence of ownership less than thirty (30) days prior to the date of the planned exercise of voting rights, the Association will not be required to make any adjustment to the determination of class membership or to the tabulation of voting rights as previously made based upon ownership of such Lot as otherwise created hereby with respect to the exercise of voting rights by such person. In recognition of the inevitability of the transfer of ownership of Lots and of the difficulty of knowing in a timely manner of such transfers and in order to assure proper and efficient administration of the Property and of the exercise by its Members of their right to vote, the Board of Directors of the Association will establish such additional policies and procedures as it may, in its discretion, deem necessary to effectuate the intent and purpose of this Section 3.02.

Section 3.03. Classes of Voting Membership and Voting Rights. The Association shall have two (2) classes of voting memberships:

CLASS A MEMBERSHIP. Class A Members shall be all Owners with the exception of the Declarant. Subject to the provisions of Section 3.05, Class A Members shall be entitled to one (1) vote per Lot owned by such Member. When more than one

person or entity holds such interest or interests in any Lot, all such people and/or entities shall be Members, and the votes for such Lot shall be cast the same and be exercised as they, among themselves, determine, but in no event shall any one (1) Lot yield more than one (1) vote.

CLASS B MEMBERSHIP. The Class B member shall be the Declarant. During the Development Period, the Class B Member shall be entitled to cast one (1) vote for each Lot located within the Property; provided, however, real estate owned by Declarant and designated as Common Properties shall not be included in determining the votes to which Declarant is entitled. During the Development Period all votes relating to the ownership of a Lot shall be cast by the Declarant to the exclusion of the Class A Members. Notwithstanding the foregoing, within 120 days following the date on which at least 75% of the Lots in the Subdivision have been sold to Owners, the Class A Members, voting as a class, shall be entitled to elect one Director to the Board.

Section 3.04 Suspension of Voting Rights. Intentionally deleted.

Section 3.05. Quorum, Notice and Voting Requirements.

(a) During the Development Period, the Class A Members shall not be entitled to vote (except as provided for the levying of Special Assessments under Article V, Section 5.05 of the Declaration.

(b) Subject to the provisions of Paragraph (d) of this Section, any action taken at a meeting of the Members for the levying of Special Assessments under Article IV, Section 4.06 of the Declaration, or amendments to the Declaration under Article XIII of the Declaration shall require the assent of at least (two-thirds) $\frac{2}{3}$ of the votes of each Class of Members entitled to vote, which Members are voting in person or by proxy at a meeting duly called for that purpose, written notice of which meeting shall be given to all Members not less than ten (10) days nor more than fifty (50) days in advance and shall set forth the purpose of such meeting.

(c) Subject to the provisions of Paragraph (d) of this Section, any action other than that referred to in Paragraph (b) of this Section shall require the assent of the majority of the votes of each Class of Members entitled to vote, which Members are voting in person or by proxy at a meeting duly called, written notice of which meeting shall be given to all Members not less than ten (10) days nor more than fifty (50) days in advance and shall set forth the purpose of such meeting.

(d) The quorum required for any action referred to in Paragraphs (b) and (c) of this Section shall be as follows:

At the first meeting called, the presence at the meeting of Members, or of proxies, entitled to cast fifty percent (50%) of all of the votes of each Class of Members of the Association shall constitute a quorum. If the required quorum is not present at the first meeting, one additional meeting may be called subject to the notice requirement hereinabove set forth, and the required quorum at such second meeting shall be one-half ($\frac{1}{2}$) of the required quorum at the preceding meeting; provided, however, that no such second meeting shall be held more than sixty (60) days following the first meeting. The

Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

(e) As an alternative to the procedure set forth above, any action referred to in Paragraphs (b) or (c) of this Section may be taken without a meeting if a consent in writing, approving of the action to be taken, is signed by all Members.

(f) Notice of a meeting of the Members, both annual and special, will be sent to each Member at the direction of the Secretary of the Association not less than ten (10) days nor more than fifty (50) days prior to the date on which such meeting is to take place. Notices of meetings of the Members shall be sent via regular mail, postage prepaid, to the Members at the respective mailing addresses on record with the Association.

Section 3.06. Annual Meeting. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association and not later than six (6) months after the closing of the sale of the first Lot within the Property. Subsequent annual meetings will be held within ninety (90) days of the close of the fiscal year of the Association, the exact date and place to be fixed by resolution of the Board of Directors of the Association within thirty (30) days of the close of the fiscal year, provided that an annual meeting may not take place on a Sunday or on a day designated as a legal holiday by the United States Postal Service.

Section 3.07. Special Meetings. Special meetings of the Members may be called at any time by the Declarant or by a majority of a quorum of the Board of Directors or upon receipt by the Board of a written request for a special meeting signed by Members representing at least sixty percent (60%) of the total voting power of the Members of the Association, regardless of class. Notice of a special meeting will be sent in accordance with Section 3.05(f) and will include a description of the purpose or purposes for which the special meeting is being called. No business may be done or actions taken at a special meeting except in furtherance of the purpose or purposes so described in the notice of such meeting.

Section 3.08. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot, or upon receipt of notice by the secretary of the death or judicially declared incompetence of such Member. No proxy shall be valid after the expiration of 11 months from the date thereof unless otherwise provided in the proxy, except that the maximum term of the proxy shall be three years from the date of execution.

Section 3.09. Action Without Meeting By Written Ballot. Any action which may be taken by the vote of the Members at a regular or special meeting, other than the election of Directors, may be taken without a meeting if done in compliance with relevant provisions of the Texas Business Organizations Code or any successor statutes or codes. If an action is taken without a meeting, the Board shall distribute a written ballot to every Member entitled to vote on the matter. The ballot shall set forth the proposed action, provide any opportunity to specify approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot to the Association. Approval by written ballot shall be valid only when the number of

votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. Voting may also take place by the use of "Electronic Ballots" as defined under applicable Texas law.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION; TERM OF OFFICE

Section 4.01. Number. The affairs of the Association shall be managed by a Board of no less than three (3) directors and no more than seven (7) directors (hereafter collectively referred to as "the Board" or "the Board of Directors" and individually referred to as "Director" or, when referring to more than one, "Directors"). Until the expiration of the Development Period, the Declarant shall select and appoint the Board of Directors. From and after the end of the Development Period, the Board of Directors shall be elected by the Members of the Association.

Section 4.02. Term of Office. At the first meeting of the Members of the Association after the Development Period, the Members, voting regardless of Class, shall elect at least three Directors, all of whom must be Owners of, or representatives of Owners of Lots within the Property (where such Owner is not an individual person), for a term of two years.

Section 4.03. Removal. Unless the entire Board is removed from office by the vote of Association Members, voting regardless of Class, an individual Director shall not be removed prior to the expiration of his term of office if the number of votes cast against removal would be sufficient to elect such Director if voted at an election at which the same total number of votes was cast and the entire number of Directors authorized at the time of the Director's most recent election was then being elected.

Section 4.04. Vacancies. Vacancies on the Board shall be filled subject to the following provisions:

(a) *Vacancies by Death or Resignation.* In the event of the death or resignation of a Director, a successor Director shall be selected by a majority of the remaining members of the Board and shall serve for the unexpired term of such Director.

(b) *Vacancies by Removal.* Vacancies created by the removal of a Director shall be filled only by the vote or written assent of a majority of the voting power of the Association, regardless of class.

Section 4.05. Indemnification of Officers and Directors. Each Director and Officer shall be indemnified by the Association as provided in the Declaration.

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

Section 5.01. Nomination. Nomination for election to the Board shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a Director, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board not less than thirty days prior to each annual meeting of the Members, to serve until the close of such annual meeting. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations must be made from among Members.

Section 5.02. Election of Board. Election of Directors will be by vote of the Members present at the Annual Meeting. The Nominating Committee will submit its nominations to the Members present at the Annual Meeting for vote by written ballot. To be elected to the Board, a candidate must receive a majority of the eligible votes cast by the Members voting. A Member is entitled to cast as many votes as there are Directors to be elected but may not accumulate votes.

Section 5.03. No Compensation. No Director shall receive compensation for any services that the Director may render to the Association. However, any Director may be reimbursed for actual expenses incurred in the performance of the Director's duties.

ARTICLE VI MEETING OF DIRECTORS

Section 6.01. Regular Meetings. Regular meetings of the Board shall be held no less frequently than quarterly at such places within the Property, and at such hour as may be fixed from time to time by resolution of the Board. Notice of the agenda and place of meeting shall be delivered either personally, by mail, by telephone or e-mail to the Directors not less than five (5) days prior to the meeting. However, notice of a meeting need not be given to Directors who have signed a waiver of notice or a written consent to the holding of the meeting.

Section 6.02. Special Meetings. Special meetings of the Board shall be held when called by written notice signed by the President of the Association, or by any two Directors other than the President. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be sent to all Directors in a manner authorized in Section 6.01 above not less than five (5) days prior to the scheduled time of the meeting, provided that notice of the meeting need not be given to Directors who have signed a waiver of notice or a written consent to the holding of the meeting. An Officer shall make reasonable efforts to notify all Directors of the meeting by telephone.

Section 6.03. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act performed or decision made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 6.04. Open Meetings. All meetings of the Board shall be open to all Members, but Members other than Directors may not participate in any discussion or deliberation unless expressly so authorized by a majority of a quorum of the Board.

Section 6.05. Executive Session. The Board may, with approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, legal matters, disciplinary matters, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 6.06. Action Without Meeting and Telephonic Meetings. The Board may take actions without a meeting if all of its members consent in writing to the action to be taken and may hold duly called meetings between Directors by telephone.

If the Board resolves by unanimous written consent to take action, an explanation of the action taken shall be sent by mail to all Directors within three days after the written consents of all Board members have been obtained.

Section 6.07. Annual Meeting of Board of Directors. An annual meeting of the Board shall be held immediately following each annual meeting of the Members for the sole purpose of electing Officers pursuant to Section 8.02 below.

ARTICLE VII GENERAL POWERS AND DUTIES OF THE BOARD

Section 7.01. Powers and Duties. The affairs of the Association shall be conducted by the Board. In addition to the powers and duties enumerated in the Declaration, or elsewhere provided for herein, and without limiting the generality thereof, the Board, for the mutual benefit of the Members of the Association, shall have the following powers and/or duties:

(a) If, as and when the Board, in its sole discretion, deems necessary it may take such action to enforce the terms and provisions of the Declaration and the Articles of Incorporation and these Bylaws of the Association by appropriate means and carry out the obligations of the Association hereunder, including without limitation, the expenditure of funds of the Association, the employment of legal counsel and accounting services, the commencement of legal causes of action, the promulgation and enforcement of the Association rules (herein so-called) which may include the establishment of a system of fines and/or penalties, and to enjoin and/or seek legal damages from any Owner for violation of such provisions or rules;

(b) To acquire, maintain and otherwise manage all of the Common Properties and all facilities, improvements and landscaping thereon, and all personal property acquired or owned by the Association;

(c) To execute all declarations of ownership for tax assessment purposes and to pay any and all real and personal property taxes and other charges or assessments

assessed against the Common Properties, unless the same are separately assessed to all or any of the Owners;

(d) To obtain, for the benefit of the Common Properties, all water, gas and electric services, refuse collections, landscape maintenance services and other services, which in the opinion of the Board of Directors shall be necessary or proper;

(e) To make such dedications and grant such easements, licenses, franchises, or other rights which in its opinion are necessary for street, right-of-way, utility, sewer and drainage and other similar facilities or video services, cable television services, security services, communication services and other similar services over the Common Properties to serve the Property or any part thereof;

(f) To contract for and maintain such policy or policies of insurance as may be required by the Declaration or as the Board deems necessary or desirable in furthering the purposes of and protecting the interest of the Association and its Members;

(g) To borrow funds to pay costs of operation secured by assignment or pledge of its rights against delinquent Owners to the extent deemed advisable by the Board;

(h) To enter into contracts for legal and accounting services, maintain one or more bank accounts, and generally, to have the powers necessary or incidental to the operation and management of the Association and the Common Properties;

(i) If, as and when the Board, in its sole discretion, deems necessary it may take action to protect or defend the Common Properties or other property of the Association from loss or damage by suit or otherwise;

(j) To sue and defend in any court of law on behalf of the Association;

(k) To establish and maintain a working capital and/or reserve fund in an amount to be determined by the Board;

(l) To make reasonable rules and regulations for the operation and use of the Common Properties and to amend same from time to time; provided, however, that any rule or regulation may be amended or repealed by an instrument in writing signed by a majority of the Members or, with respect to a rule or regulation applicable to less than all of the Property, by the Members in that portion of the Property affected thereby;

(m) To fix and collect assessments as provided in the Declaration;

(n) To adjust the amount, collect and use any insurance proceeds to repair damage or replace lost property owned by the Association, and if the proceeds are insufficient to repair damage or replace lost property owned by the Association, to assess the Members in proportionate amounts to cover the deficiency as set forth in Article XI;

(o) If, as and when the Board in its sole discretion deems appropriate, to provide services for the benefit of Members, including but not limited to security, entertainment, recreation and education;

(p) To delegate its powers and duties to committees, Officers or employees, employ a manager or other persons and contract with independent contractors or managing agents who have professional experience to perform all or any part of the duties and responsibilities of the Association, provided that any contract with a person or entity appointed as a manager or managing agent shall be terminable without cause on not more than thirty (30) days written notice by the Association and shall have a term of not more than one (1) year with successive one (1) year renewal periods upon the mutual agreement of the parties;

(q) To elect the Officers of the Association, as provided in these Bylaws; and

(r) To fill vacancies on the Board except for vacancies created by the removal of a Director.

Section 7.02. Procedure for Imposition of Fines. The Board may impose monetary penalties and fines on behalf of the Association for failure of a Member to comply with the governing instruments, provided that any imposition of penalties or fines must be done according to the following procedure and in accordance with all applicable laws.

The Board shall give the accused Member a written notice of the action to be taken, stating the reasons therefore, and a timely opportunity to be heard by the Board with respect to the alleged violation in accordance with Section 209.006 of the Texas Property Code. The notice shall be given personally to such Member or sent by registered mail to the last address of such Member as shown on the records of the Association. If the Owner requests a hearing under Section 209.007 of the Texas Property code, the hearing shall be conducted at the principal place of business of the Association. The hearing shall be presided over by the Chairman of the Board, who shall perform the following duties:

- (a) Read the charges against the subject Member;
- (b) Require that the charges be verified by testimony of the person or persons making them;
- (c) Hear any other witnesses against the subject Member;
- (d) Allow the subject Member to cross-examine each witness following the testimony of that witness;
- (e) Allow the subject Member to make a statement in his or her own behalf;
- (f) Allow the subject Member to call witnesses in her or her own behalf; and
- (g) Allow the Directors conducting the hearing to question the witnesses after they have been questioned by the subject Member.

The Board shall conduct the hearing in good faith and in a fair and reasonable manner. Within five (5) days following the conclusion of the hearing, the Board or any agent for the Association shall notify the Member in writing of any penalty, fine or other action determined by the Board.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 8.01. Enumeration of Officers. The officers of this Association (herein referred to individually as “an Officer” or collectively as “Officers”) shall be as follows:

- (a) A President, who shall at all times be a Director;
- (b) A Vice-President, who shall at all times be a Director;
- (c) A Secretary, who may or may not be a Director;
- (d) A Chief Financial Officer, who may or may not be a Director; and
- (e) Such other Officers as the Board may from time to time by resolution create, who may or may not be Directors.

Section 8.02. Election of Officers. The election of Officers shall take place at the first meeting of the Board following each annual meeting of the Members, with the term of office commencing on the first day of the next month following the Officer’s election.

Section 8.03. Term. The Officers shall be elected annually by the Board and each shall hold office for one year unless such Officer shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 8.04. Special Appointments. The Board may elect such other Officers as the affairs of the Association may require, each of whom shall hold office for such period, having such authority, and perform such duties as the Board may, from time to time, determine.

Section 8.05. Resignation and Removal. Any Officer may be removed from office by the Board with or without cause. Any Officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 8.06. Vacancies. A vacancy in any office may be filled by appointment by the Board. The Officer appointed to such vacancy shall serve for the remainder of the term of the replaced Officer.

Section 8.07. Multiple Offices. One person may hold multiple offices, but the same person shall not hold the office of President and Secretary. A person may serve as both a Director and Officer.

Section 8.08. Duties. The duties of the Officers are as follows:

(a) **President.** The President shall preside at all meetings of the Board; shall see that orders and resolutions of the Board are carried out and shall sign all leases, mortgages, deeds and other written instruments.

(b) **Vice President.** The Vice President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.

(c) **Secretary.** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) **Chief Financial Officer.** The Chief Financial Officer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board and be responsible for the preparation and filing of all required budgets, financial statements and tax returns.

ARTICLE IX FINANCIAL REPORTS

Section 9.01. The following financial reports shall be prepared and made available to each Member and to each Eligible Lender requesting the same, regardless of the number of Members or the amount of assets of the Association:

(a) *Budget.* A pro forma operating statement (budget) for each fiscal year shall be adopted by the Board not less than 30 days before the beginning of the fiscal year; and shall include projected assessments and expenses for the Association. No delay in the adoption of the annual budget shall relieve any Owner from its obligation to pay assessments nor result in any liability to any Officer, Director or management company for the Association.

(b) *Annual Report.* An un-audited (unless an audited report is required pursuant to the Declaration) annual report consisting of the following within 90 days after the close of the fiscal year:

- (i) A balance sheet as of the end of the fiscal year;
- (ii) An operating or income statement for the fiscal year; and

- (iii) A statement of changes in financial position for the fiscal year.

ARTICLE X BOOKS AND RECORDS

Section 10.01. Inspection by Members. The membership register, books of account and minutes of meetings of the Members, of the Board and of committees shall be made available for inspection and copying by any Member of the Association, or by the Member's appointed representative, at any reasonable time and for a purpose reasonably related to the Member's interest, at the office of the Association or at such other place within the Property as the Board shall prescribe.

Section 10.02. Rules for Inspection. The Board shall establish reasonable rules with respect to:

- (a) Notice to be given to the custodian of the records by the Member desiring to make the inspection;
- (b) Hours and days of the week when such an inspection may be made; or
- (c) Payment of the cost of reproducing copies of documents requested by a Member.

Section 10.03. Inspection by Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical property owned by the Association. The right of inspection by a Director includes the right to make extra copies of documents.

ARTICLE XI ASSESSMENTS

Article V of the Declaration regarding the imposition and collection of assessments is incorporated herein by reference as if fully stated in these Bylaws.

ARTICLE XII AMENDMENTS

Section 12.01. Amendment of Bylaws or the Certificate of Formation. These Bylaws or the Certificate of Formation may be amended or changed at a regular or special meeting of the Members by a vote (in person or by proxy) or upon the express written consent of at least sixty-six percent (66%) of the outstanding votes of the Association, regardless of Class. In addition to the foregoing, the Board of Directors, upon obtaining the written consent of a majority of the Directors attending a duly called regular or special meeting of the Board where a quorum is present, may alter or modify these Bylaws for the purpose of correcting errors or omissions and to provide clarification without in any way abrogating the terms and conditions hereof.

**ARTICLE XIII
MISCELLANEOUS**

Section 13.01. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end of the 31st day of December of every year, except that the first fiscal year shall begin on the closing of the first sale of a Lot.

Section 13.02. Interpretation. In the case of any conflict between the Certificate of Formation and these Bylaws, the Certificate of Formation shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; provided, however, to the extent reasonably practical, the Certificate of Formation, Bylaws and Declaration shall be construed and interpreted together as consistent and non-conflicting documents, such being the intent thereof.

CERTIFICATION

I, the undersigned, the duly elected and acting Secretary of RH Homeowners Association, a non-profit corporation, do hereby certify:

That the within and foregoing Bylaws were adopted as the Bylaws of said corporation on _____, 2012, and that the same do now constitute the Bylaws of said corporation.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said corporation on _____, 2012.

Secretary

This instrument was acknowledged before me on the _____ day of _____, 2012, by MEGAN LOZANO as Secretary of RH Association, a Texas nonprofit corporation, on behalf of said nonprofit corporation

NOTARY PUBLIC

AFTER RECORDING, PLEASE RETURN TO:
Creststone Group, Ltd.
225 E. Highway 121, Suite 120
Coppell, Texas 75019