



BYLAWS

OF

RIM ROCK RANCH PROPERTY OWNERS ASSOCIATION, INC.

(A Texas Nonprofit Corporation)

ARTICLE 1

INTRODUCTION

1.1. **PURPOSE OF BYLAWS.** These Bylaws ("Bylaws") provide for the governance of RIM ROCK RANCH PROPERTY OWNERS ASSOCIATION, INC. ("Association") a property owners association whose Members consist of the owners of Tracts in Rim Rock Ranch Subdivision, Units 1, 2, 3 and 4, located in Comal County, Texas ("Subdivision"), covered by a dedicatory instruments entitled Restated Declaration of Covenants, Conditions and Restrictions Rim Rock Ranch Units 1, 2, 3 and 4, recorded as Document # _____, Official Records of Comal, County, Texas ("Declaration").

1.2. **MEMBERSHIP AND PARTIES TO THESE BYLAWS.** Every person or entity who is a record Owner of any Tract which is subject to the Maintenance charge and other assessments provided in the Declaration shall be a Member of the Association. All present or future Members are subject to the Articles of Incorporation, Declaration and these Bylaws. Membership in the Association will signify that the Tract owner appoints the Board of Directors of the Association to manage or regulate the Subdivision in accordance with the provisions set forth in the Articles of Incorporation, Declaration and these Bylaws and that these Bylaws are accepted, ratified, and will be strictly followed. Further, Membership in the Association will signify that the Tract Owner has designated the Association as his representative to initiate, defend or intervene in litigation or an administrative proceeding affecting the enforcement of the Declaration or the protection, preservation or operation of the Subdivision.

1.3. **DEFINITIONS.** Words and phrases defined in the Declaration shall have the same meanings when used in these Bylaws. Unless defined otherwise in the Declaration or in these Bylaws, words and phrases defined in Section 202.001 of the Texas Property Code shall have the same meaning when used in these Bylaws. The following words and phrases shall have specified meanings when used in these Bylaws:

- a. "Officer" means an Officer of the Association. "President," "Vice-President," "Secretary," and "Treasurer" mean, respectively, the President, Vice-president, Secretary, and Treasurer of the Association.
- b. "Director" means a Director of the Association.
- c. "Governing documents" means, collectively, the Declaration, these Bylaws, the

Articles of Incorporation of the Association, and the Rules and Regulations of the Association, as any of these may be amended from time to time.

d. **"Majority"** means more than 50 percent.

e. **"Member"** means a Member of the Association in good standing, each Member being an owner of a Tract in the Subdivision, unless the context indicates that a Member means a member of the Board of Directors or a member of a committee of the Association.

g. **"Resident"** means the occupant of a Tract, whether or not such occupant is an Owner.

h. **"TNPCA"** means the Texas Non-profit Corporations Act.

1.4. **NONPROFIT PURPOSE.** The Association is not organized for profit.

1.5. **COMPENSATION.** A Director, Officer, Member, or Resident shall not be entitled to receive any pecuniary profit for the operation of the Association, and no dividend or assets of the Association shall be distributed to, or inure to the benefit of a Director, Officer, Member, or Resident [TNPCA Art. 1396-2.24.A]; provided, however:

a. that reasonable compensation may be paid to a Director, Officer, Member, or Resident for services rendered to the Association;

b. that 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 such expense has been approved by the Board.

1.6. **GENERAL POWERS AND DUTIES.** The Association, acting through the Directors, shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the Subdivision as may be required or permitted by the governing documents and State 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 governing documents.

ARTICLE 2

BOARD OF DIRECTORS

2.1. **NUMBER AND TERM OF OFFICE.** The Board shall consist of seven (7) Directors. Directors shall be elected at the annual meeting. All directors shall be elected to serve a two-year term. A Director takes office upon the adjournment of the meeting or balloting at which he is elected or appointed and, absent, death, ineligibility, resignation, or removal, will hold office until his

successor is elected or appointed. The number of Directors may be changed by amendment of these Bylaws, but shall not be less than three. [TNPCA 1396-2.15.A.&B.]

2.2 QUALIFICATION. No person shall be eligible for election or appointment to the Board unless such person is a Member. [TNPCA 1396-2.14.A.]

2.2.1. Co-Owners. Co-owners of a single Tract may not serve on the Board at the same time. Co-Owners of more than one Tract may serve on the Board at the same time, provided the number of Co-Owners serving at one time does not exceed the number of Tracts they co-own.

2.2.2. Absences, Delinquency or Violation of Governing Documents. No Member may be elected or appointed as a Director if any assessment against the Member is delinquent at the time of election or appointment or if the Member is in violation of the governing documents. No Member may continue to serve as a Director who has four (4) consecutive absences from Board meetings annually from March to March, or if any assessment against the Member is more than 30 days delinquent or violates the governing documents.

2.3. ELECTION. Directors shall be elected by the Members by written ballot. The election of Directors shall be conducted at the annual meeting of the Association, at any special meeting called for that purpose, or by mail, facsimile transmission, or a combination of mail and facsimile transmission. [TNPCA 1396-2.13.B]

2.4. VACANCIES. Vacancies on the Board caused by any reason, except the removal of a Director by a vote of the Association, shall be filled by a vote of the majority of the remaining Directors, even though less than a quorum, at any meeting of the Board. Each Director so elected shall serve out the remaining term of his predecessor. [TNPCA 1396-2.16.A.]

2.5. REMOVAL OF DIRECTORS. At any Annual or special meeting of the Association, any one or more of the Directors may be removed with or without cause by Members representing a majority of the votes present in person or by proxy at such meeting, and a successor shall then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting. A Director who violates a provision of the governing documents may be removed from the Board with an unanimous vote of the remaining Directors. A Director who is alleged to have violated the governing documents shall have the right to a hearing before the Board, within thirty (30) days of that Director's suspension to contest the suspension. The remaining Directors may give the suspended Director a reasonable time, by a specified date, to cure the violation and be reinstated as a Director. [TNPCA 1396-2.15.D]

2.6 MEETINGS OF THE BOARD.

2.6.1. Organizational Meeting of the Board. Within 10 days after the annual meeting, the Directors shall convene an organizational meeting for the purpose of electing Officers. The time and place of such meeting shall be fixed by the Board and announced to the Directors.

2.6.2. Regular Meeting of the Board. Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by the Board, but at least one such meeting shall be held each calendar quarter. Notice of regular meetings of the Board shall be given to each Director, personally or by telephone or written communication, at least three days prior to the date of such meeting, unless a place, day and time is fixed by a resolution of the Board, in which case, no notice is required.

2.6.3. Special Meetings of the Board. Special meetings of the Board may be called by the President or, if he or she is absent or refuses to act, by any two Directors. At least three days notice shall be given to each Director, personally or by telephone or written communication, which notice shall state the place, time, and purpose of such meeting.

2.6.4. Conduct of Meetings. The President shall preside over all meetings of the Board and the secretary shall keep, or cause to be kept, a record of all resolutions adopted by the Board and a record of all transactions and proceedings occurring at such meetings. When not in conflict with law or the governing documents, the then current edition of Robert's Rules of Order shall govern the conduct of the meetings of the Board.

2.6.5. Quorum. At all meetings of the Board, a Majority of Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board. If less than a quorum is present at any meeting of the Board, the majority of those present may adjourn the meeting from time to time. At any such reconvened meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

2.6.6. Open Meetings. Regular and special meetings of the Board shall be open to Members of the Association; provided that Members who are not Directors may not participate in any deliberations or discussions unless the Board expressly so authorizes at the meeting. Members should contact the Secretary for a schedule of the meetings. The Board may adjourn any meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar or sensitive nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

2.6.7. 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 shall constitute 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. [TNPCA 1396-9.11]

2.6.8. 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 of the Directors individually or

collectively consent in writing to such action. The written consent shall be filed with the minutes of the Board. Action by written consent shall have the same force and effect as a unanimous vote.

2.7. LIABILITIES AND STANDARD OF CARE. In performing their duties, the Directors are required to exercise certain standards of care and are subject to certain liabilities, including but not limited to the following provisions of State Law: Articles 1396-2.20.D., -2.25, -2.26, -2.28, -2.29, and -2.30 of the Texas Non-profit Corporation Act.

2.8. POWERS AND DUTIES. The Board shall have all the powers and duties necessary for the administration of the Association and for the operation and maintenance of the Subdivision. The Board may do all such acts and things except those which, by law or the governing 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 governing documents, or such powers and duties as may hereafter be imposed on the Board by resolution of the Association, the powers and duties of the Board shall include, but shall not be limited to, the following:

2.8.1. Rules and Regulation. The Board, by resolution may from time to time adopt and publish Rules and Regulations governing use of the Common Area and the personal conduct of the Members, Residents and their guests thereon, and may suspend the right to use of the Common Area, after notice and hearing, for infractions of the published Rules and Regulations, for a period of sixty (60) days, or if the infraction is of a continuing nature for the duration of the infraction, and establish other penalties for infractions thereof.

2.8.2. Guests. The Board may limit the number of guests of Owners with respect to the use of the Common Areas.

2.8.3. Delinquent Accounts. The Board may establish, levy, and collect reasonable late charges for Members' delinquent accounts. The Board may also establish a rate of interest to be charged on Members' delinquent accounts, provided the rate of interest does not exceed 18 percent or the maximum rate permitted by State Law, whichever is the lesser. The Board may suspend the voting rights and right to use the Common Area of any Member whose account is delinquent. The Board may take action as outlined in the Declaration, Article VI, Section 6.03, against any Member or Tract for which assessments are not paid.

2.8.4. Fidelity Bonds. The Board shall require that all Officers, agents, and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds may be a common expense of the Association.

2.8.5. Ex-Officio Directors. The Board may, from time to time, designate one or more persons as ex-officio Members of the Board, pursuant to Article 1396-2.14.F. of the Texas Non-profit Corporation Act. The presence of a duly designated ex-officio Member at a meeting may not be counted to establish a quorum.

2.8.6. Employees. The Board may employ independent contractors or employees

as deemed necessary, and may prescribe their duties.

2.8.7. 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 shall establish the purposes and powers of each committee created, provide for the appointment of its Members, as well as chairman, and shall provide for reports, termination, and other administrative matters deemed appropriate by the Board. Members of committees shall be appointed from among the Owners and Residents.

2.8.8. Fines. In addition to, or in lieu of, other remedies as provided by law, the Board may levy fines for each day or occurrence that a violation of the governing documents persists after notice and hearing, provided the amount of the fine does not exceed the amount necessary to ensure compliance with the governing documents.

2.8.9. Contracts for Services. The Board may enter into contracts for services on behalf of the Association, and, when appropriate, shall solicit competitive bids based on a standard statement of work prepared or approved by the Board.

2.8.10. Professional Association Management Services. 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 shall be the President, the Vice-president, the Secretary, and the Treasurer. The Board may appoint such other Officers and Assistant Officers as it deems necessary. The President and Vice-president shall be Directors. Other Officers may, but need not, be Directors. Any two 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. [TNPCA 1396-2.20.A.&B.]

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 shall hold office at the pleasure of the Board. Except for resignation or removal, Officers shall hold office until their respective successors have been designated by the Board. [TNPCA 1396-2.20.A.]

3.3. REMOVAL AND RESIGNATION OF 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. [TNPCA 1396-2.21]

3.4. STANDARD OF CARE. In performing their duties, the Officers are required to exercise the standards of care provided by Article 1396-2.20.D. of the Texas Non-profit Corporation Act.

3.5. DESCRIPTION OF PRINCIPAL OFFICES.

3.5.1. President. As the chief executive Officer of the Association, the President shall be a Director and shall: (i) preside at all meetings of the Association and of the Board; (ii) have 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) have general supervision, direction, and control of the business of the Association, subject to the control of the Board; and (iv) see that all orders and resolutions of the Board are carried into effect. The President shall not vote except to break a tie.

3.5.2. Vice-president. The Vice-president shall be a Director and, in the absence of the President or in the event of the President's inability or refusal to act, shall perform the duties of the President. The Vice-president shall perform such duties as are assigned by the President and Board.

3.5.3. Secretary. The Secretary shall: (i) keep the minutes of all meetings of the Board and of the Association; (ii) have charge of such books, papers, and records as the Board may direct; (iii) maintain a record of the names and addresses of the Members for the mailing of notices; (v) prepare and give all notices in accordance with the Texas Non-profit Corporation Act and the governing documents; (vi) act as the custodian of records of the Association; (vi) review all mail on behalf of the Association; (vii) keep a current register of the names and addresses of Members; and (viii) in general, perform all duties incident to the office of Secretary.

3.5.4. Treasurer. The Treasurer shall: (i) be responsible for Association funds; (ii) keep full and accurate financial records and books of account showing all receipts and disbursements; (iii) prepare all required financial data and tax returns; (iv) deposit all monies or other valuable effects in the name of the Association in such depositories as may from time to time be designated by the Board; (v) prepare the annual and supplemental budgets of the Association; (vi) review the accounts of the managing agent on a monthly basis in the event such managing agent is responsible for collecting and disbursing Association funds; and (vi) perform all the duties incident to the office of Treasurer.

3.6. AUTHORIZED AGENTS. Except when the governing documents require execution of certain instruments by certain individuals, the Board may authorize any person to execute instruments on behalf of the Association, by written resolution. In the absence of Board designation, the President and the Vice-president shall be the only persons authorized to execute instruments on

behalf of the Association.

ARTICLE 4

MEETINGS OF THE ASSOCIATION

4.1. ANNUAL MEETING. Annual meetings of the Association shall be held at 2 o'clock p.m. on the third Sunday in March each year, or within thirty (30) days thereafter, weather permitting. At the annual meeting the Members shall elect Directors in accordance with these Bylaws, and a committee of not less than three (3) Members to serve on the Architectural Control Committee. The Members may also transact such other business of the Association as may properly come before them. [TNPCA 1396-2.10.A.(2)]

4.2. SPECIAL MEETINGS. It shall be 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 Members representing at least 10 percent of the eligible votes in the Association. Such meeting shall be held within 30 days after the Board resolution or receipt of petition. The notice of any special meeting shall state the time, place, and purpose of such meeting. No business, except the purpose stated in the notice of the meeting, shall be transacted at a special meeting.

4.3. PLACE OF MEETINGS. Meetings of the Association shall be held at Lot 51, commonly known as the "Park" or at such other place as is designated by the Board in the notice of the meeting. [TNPCA 1396-2.10.A(1)]

4.4. NOTICE OF MEETINGS. At the direction of the Board, written notice of meetings of the Association shall be given to Members entitled to vote at least 10 days but no more than 60 days prior to such meeting. Notices shall identify the type of meeting as annual or special, and shall state the particular purpose of a special meeting. Notices may also set forth any other items of information deemed appropriate by the Board. [TNPCA 1396-2.11]

4.5. INELIGIBILITY. The Board may determine that no Member may (i) receive notice of meetings of the Association, (ii) vote at meetings of the Association, or (iii) be elected to serve as a Director if the Member's financial account with the Association is in arrears on the record dates provided below, or if the Member has not complied with Article VIII, Section 8.2 of these Bylaws. The Board may specify the manner, place, and time for payment for purposes of restoring eligibility.

4.6. RECORD DATES.

4.6.1. Determining Notice Eligibility. The Board shall fix a date as the record date for determining the Members entitled to notice of a meeting of the Association. The record date may not be more than 60 days before the date of a meeting of the Association at which Members will vote. [TNPCA 1396-2.11.A.&D]

4.6.2. Determining Voting Eligibility. The Board shall fix a date as the record date for determining the Members entitled to vote at a meeting of the Association. The record date may not be more than 60 days before the date of a meeting of the Association at which Members will vote. [TNPCA 1396-2.11A.B&D]

4.6.3. Determining Rights Eligibility. The Board shall fix a date as the record date for determining the Members entitled to exercise any rights other than those described in the preceding two paragraphs. The record date may not be more than 60 days before the date of the action for which eligibility is required, such as nomination to the Board. [TNPCA 1396-2.11A.C&D]

4.6.4. Adjournments. A determination of Members entitled to notice of or to vote at a meeting of the Association is effective for any adjournment of the meeting unless the Board fixes a new date for determining the right to notice or the right to vote. The Board must fix a new date for determining the right to notice or the right to vote if the meeting is adjourned to a date more than 90 days after the record date for determining Members entitled to notice of the original meeting. [TNPCA 1396-2.11A.E.]

4.7 VOTING Member\$ LIST. The Board shall prepare and make available a list of the Association's voting Members in accordance with Art. 1396-2.11B of the Texas Non-profit Corporation Act.

4.8 QUORUM. At any meeting of the Association, the presence in person or by proxy of Members entitle to cast at least 10 percent of the votes that may be cast for election of the Board shall constitute a quorum. Members present at a meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal, during the course of the meeting, of Members constituting a quorum. [TNPCA 1396-2.12]

4.9. LACK OF QUORUM. If a quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power then to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

4.10. VOTES. Members of the Association shall have one vote for each Tract owned in the Subdivision. The vote of Members representing at least a majority of the votes cast at any meeting at which a quorum is present shall be binding upon all Members for all purposes, except when a higher percentage is required by the Declaration or these Bylaws. There shall be no cumulative voting.

4.10.1. Co-Owned Tracts. If a Tract is owned by more than one Member and only one Member is present at a meeting of the Association, that person may cast the vote allocated to that Tract. If more than one of the multiple Owners is present, the vote allocated to that Tract 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 the Tract and none of the other Owners makes prompt protest to the person presiding over the meeting.

4.10.2. Corporation-Owner Tracts. If a Tract is owned by a corporation, the vote appurtenant to that Tract may be cast by an Officer of the corporation in the absence of express notice of the designation of a specific person by the Board of Directors or bylaws of the owning corporation. The vote of a partnership may be cast by any general partner of the owning partnership in the absence of express notice of the designation of a specific person by the owning partnership. 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.

4.11. PROXIES. Votes may be cast in person or by written proxy. To be valid, each proxy shall (i) be signed and dated by a Member or his attorney-in-fact; (ii) identify the Tract to which the vote is appurtenant; (iii) name the person in favor of whom the proxy is granted, such person agreed to exercise the proxy; (iv) identify the purpose or meeting for which the proxy is given; (v) not purport to be revocable without notice; and (vi) be delivered to the Secretary or to the person presiding over the Association meeting for which the proxy is designated. Unless the proxy specifies a shorter or longer time, it shall terminate eleven months after its date. 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 scheduled shall be valid when such meeting reconvenes. [TNPCA 1396-2.13.B]

4.12. CONDUCT OF MEETINGS. The President, or any person designated by the Board shall preside over meetings of the Association. The Secretary shall keep, or cause to be kept, the minutes which shall record all resolutions adopted and all transactions occurring at the meeting, as well as a record of any votes taken at the meeting. The person presiding over the meeting may appoint a parliamentarian. The then current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the governing documents. Votes shall be tallied by tellers appointed by the person presiding over the meeting.

4.13. ORDER OF BUSINESS. Unless the notice of meeting states otherwise, the order of business at meetings of the Association shall be as follows:

- Determine votes present by roll call or check-in procedure
- Announcement of quorum
- Proof of notice of meeting
- Reading and approval of minutes of preceding meeting
- Reports
- Election of Directors (when required)
- Unfinished or old business
- New business

4.14. 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.

4.15. 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 consent. The Board may permit Members to vote by ballots representing at least ten percent (10%) of votes in the Association and shall constitute approval by written consent. The Paragraph may not be used to avoid the requirement of the annual meeting and shall not apply to the election of Directors.

ARTICLE 5

COMMITTEES

5.1. NOMINATING COMMITTEE. Nominations for the election of the Board of Directors may be made by a Nominating Committee. The Nominating Committee shall make as many nominations to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Nominations may also be made from the floor at the annual meeting.

5.2. OTHER COMMITTEES. The Board of Directors may appoint other committees as the Board deems appropriate to carry out its purposes.

ARTICLE 6

RULES AND REGULATIONS

6.1. RULES. The Board shall have the right to establish and amend, from time to time, reasonable Rules and Regulations for: (i) the administration of the Association and the governing documents; (ii) the maintenance, management, operation, use, conservation, and beautification of the Subdivision; 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 governing documents. The Board shall, at all times, maintain the then current and complete Rules in a written form which can be copied and distributed to the Members.

6.2. ADOPTION AND AMENDMENT. Any Rule 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.

6.3. NOTICE AND COMMENT. The Board shall give written notice to an Owner of each Tract of any amendment, termination, or adoption of a rule, or shall publish same in a newsletter or similar publication which is circulated to the Members, at least 10 days before the Rule's effective date. The Board may, but shall not be required, to give similar notice to Residents who are not Members. Any Member or Resident so notified shall have the right to comment orally or in writing to the Board on the proposed action.

6.4. DISTRIBUTION. Upon written request from any Member or Resident, the Board shall provide a current and complete copy of Rules.

ARTICLE 7

ENFORCEMENT

The violation of any provision of the governing documents shall give the Board the right, in addition to any other rights set forth in the governing documents, to enjoin, abate, or remedy by appropriate legal proceedings, either at Law or in Equity, the continuance of any breach.

ARTICLE 8

OBLIGATIONS OF THE OWNERS

8.1. PROOF OF OWNERSHIP. Any person, on becoming a Member of the Association, shall furnish to the Board evidence of ownership in the Tract, which copy shall remain in the files of the Association. A Member shall not be deemed to be in good standing nor be entitled to vote at any annual or special meeting of the Association unless this requirement is first met.

8.2. OWNERS' ADDRESSES. The Owner or the several Co-Owners of a Tract shall register and maintain one mailing address to be used by the Association for mailing of statements, notices, and all other communications. The Owner shall keep the Association informed of the Member's current mailing address. If an Owner fails to maintain a current mailing address with the Association, the address of that Owner's Tract shall be deemed to be his mailing address. An owner who mortgages his or her Tract shall furnish the Board with the name and mailing address of the mortgagee.

8.3. ASSESSMENTS. All Owners shall be obligated to pay Maintenance Charges and other assessments imposed by the Association to meet the Common Expenses as defined in the Declaration. A Member shall be deemed to be in good standing and entitled to vote at any meeting of the Association if he is current in the assessments. No Owner may waive or otherwise escape liability for assessments by nonuse of the Common Area or abandonment of his or her Tract.

8.4. COMPLIANCE WITH DOCUMENTS. Each Owner shall comply with the provisions and terms of the governing documents, and any amendments thereto. Further, each Owner shall always endeavor to observe and promote the cooperative purposes for which the Association was established.

ARTICLE 9

ASSOCIATION RECORDS

- 9.1. RECORDS. The Association shall use its best efforts to keep the following records:
- a. Minutes or a similar record of the proceedings of the meetings of the Members.

- b. Minutes or a similar record of the proceedings of the meetings of the Board.
 - c. Names and mailing addresses of the Members, the currency and accuracy of the information being the responsibility of the Members.
 - d. Financial records and books of account for the Association, kept in a manner consistent with generally accepted accounting principals.
 - e. Copies of income tax returns prepared for the Internal Revenue Service.
 - f. Copies of the governing documents and all amendments to any of these.
- 9.2. INSPECTION OF BOOKS AND RECORDS. A Member, on written demand stating the purpose of the demand, may examine and copy, in person or by agent, accountant, or attorney, at any reasonable time, for any proper purpose, the books and records of the corporation relevant to that purpose, at the expense of the Member. [TNPCA 1396-2.23.B.]

ARTICLE 10

NOTICES

10.1. CO-OWNERS. If a Tract is owned by more than one person, notice to one Co-Owner shall be deemed notice to all Co-Owners.

10.2. DELIVERY OF NOTICES. Any written notice required or permitted by these Bylaws may be given personally, by mail, or by facsimile transmission. 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 facsimile, the notice is deemed delivered on successful transmission of the facsimile. [TNPCA 1396-2.11.A.]

10.3. WAIVER OF NOTICE. Whenever any notice is required to be given to an Owner, Member, or Director, a written waiver of the notice, signed by the person entitled to such notice, whether before or after the time stated in the notice, shall be equivalent to the giving of such notice. Attendance by a Member or Director at any meeting of the Association or Board, respectively, shall constitute a waiver of notice by such Member or Director of the time, place, and purpose of such meeting. If all Members or Directors are present at any meeting of the Association or Board, respectively, no notice shall be required and any business may be transacted at such meeting. [TNPCA 1396-9.09]

ARTICLE 11

AMENDMENTS TO BYLAWS

11.2. PROPOSALS. These Bylaws may be amended by the Members according to the

terms of this Article. The Association shall provide each Member with a detailed description, if not exact wording, of any proposed amendment. Such description shall be included in the notice of any annual or special meeting of the Association if such proposed amendment is to be considered at said meeting.

11.2. CONSENTS. An amendment shall be adopted by the vote, in person or by proxy, or written consents of Members representing at least a Majority of the votes cast or present at a meeting for which a quorum is obtained.

11.3. EFFECTIVE. To be effective, each amendment must be in writing and be signed by at least two Officers acknowledging the requisite approval of Members, and be delivered to each Member at least 10 days before the amendment's effective date.

ARTICLE 12

GENERAL PROVISIONS

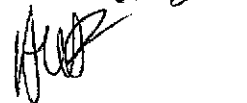
12.1. CONFLICTING PROVISIONS. If any provision of these Bylaws conflicts with any provision of the laws of the State of Texas, such conflicting Bylaws provision shall be null and void, but all other provisions of these Bylaws shall remain in full force and effect. In the case of any conflict between the Articles of Incorporation of the Association and these Bylaws, the Articles shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

12.2. SEVERABILITY. Invalidation of any provision of these Bylaws, by judgment or court order, shall in no wise affect any other provision which shall remain in full force and effect. The effect of a general statement shall not be limited by the enumerations of specific matters similar to the general.


12.3. FISCAL YEAR. The fiscal year of the Association shall be the calendar year.


12.4. WAIVER. No restriction, condition, obligation, or covenant in the Declaration or these Bylaws shall 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.

The undersigned Members of the Board of Directors have executed these Bylaws effective the 21ST day of APRIL, ~~2004~~ 1999

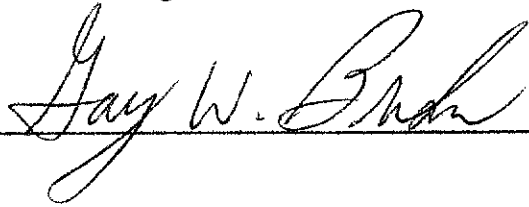



**BOARD OF DIRECTORS -
RIM ROCK RANCH PROPERTY
OWNERS ASSOCIATION, INC.,
a Texas Non-profit Corporation**

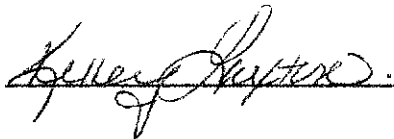








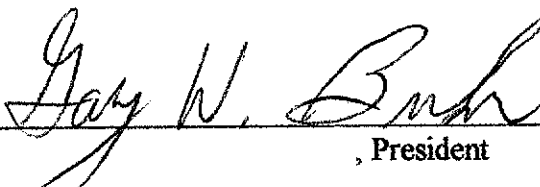




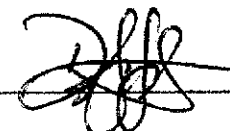
ATTEST

WE, THE UNDERSIGNED President and Secretary of Rim Rock Ranch Property Owners Association, hereby certify that the foregoing Amended and Restated Bylaws of Rim Rock Ranch Property Owners Association, Inc. have been passed and approved by a vote of a majority of the Directors, in accordance with Article 13, Section 13.1 of the Bylaws, at a duly called meeting on 21ST OF APRIL, 2004. 1999 PSS

SIGNED on the 18 day of MARCH, 2004.



, President

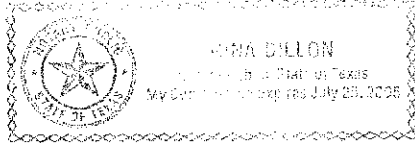


, Secretary/Treasurer

(ACKNOWLEDGMENTS APPEAR ON NEXT PAGE)

STATE OF TEXAS §
 §
COUNTY OF COMAL §

This instrument was acknowledged before me on the 18 day of March, 2004,
by: Gary Brehm, President of Rim Rock Ranch Property Owners Association, Inc. and
on behalf of said corporation.



Gina Dillon
Notary Public, State of Texas

STATE OF TEXAS §
 §
COUNTY OF COMAL §

This instrument was acknowledged before me on the 18 day of March, 2004,
by: Doug Scheiding, Secretary/Treasurer of Rim Rock Ranch Property Owners Association,
Inc. and on behalf of said corporation.



Gina Dillon
Notary Public, State of Texas

After recording, please return to:

Rosemary B. Jackson
One Riverwalk Place, Ste. 1000
700 North St. Mary's Street
San Antonio, Texas 78205