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BY-LAWS 1/20

**Fifth Amended and Restated
Bylaws ("Bylaws")
of
The Las Colinas Association (the "Association")
Adopted September 20, 2016**

**ARTICLE I.
OFFICES**

1.1 **Registered Office.** The registered office of the Association shall be as designated with the Office of the Secretary of the State of Texas, as it may be changed from time to time.

1.2 **Other Offices.** The Association may also have offices at such other places, both within and without the State of Texas, as the Board of Directors of the Association (the "Board") may from time to time determine or as the business of the Association may require.

**ARTICLE II.
MEMBERS**

2.1 **Members.** Each and every person, persons or legal entity (the "Member[s]") who shall own, in fee simple, any lot, tract or parcel of land situated in the real property (the "Property") covered by that certain Corrected Declaration filed in Volume 73166, Page 1001, et. seq. of the Deed Records of Dallas County, Texas or by any Supplementary Declaration or by any Amended Declaration thereto (together the "Declaration") filed in accordance with the provisions thereof, shall automatically be a Member of the Association, provided that any person or entity who holds any other interest, of any kind or character, in the Property including, without limitation, liens, claims, encumbrances servitudes, and security interests for the performance of any obligation, shall not be a Member.

2.2 **Voting Rights.** (a) the Members shall be entitled to one vote for each One Hundred (\$100) Dollars, or major fraction thereof, of the assessed value of the lot, tract or parcel of land situated in the Property owned by the Member as appraised by the Dallas Central Appraisal District ("DCAD") for ad valorem tax purposes for the preceding calendar year. When two or more persons or entities hold undivided interests in any such property, all such persons or entities shall be Members, and the vote for such part of such Property shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to each One Hundred (\$100) Dollars, or major fraction thereof, of the assessed value of such property owned by such Members.

(b) Voting rights may be assigned, in whole or in part, as such rights relate to a particular tract of land to a lessee holding a ground lease on such particular tract of land, provided, that the primary term of such ground lease is for a period of not less than forty (40) years.

(c) The Association shall not be a voting Member of the Association except by virtue of its ownership of a lot, tract or parcel of land situated in the Property.

ARTICLE III. MEETINGS OF MEMBERS

3.1 **Annual Meeting.** The Annual meeting of the Members shall be held on any regular business (excluding National or State respected holidays) day in the month of March in each year at such time and place as the Board may determine, for the purpose of electing Directors (herein so called) and for the transaction of such other business as may come before the meeting. If the election of Directors shall not be held on the day designated by the Board for any annual meeting, or at any adjournment thereof, the Board shall cause the election to be held at a special meeting of the Members as soon thereafter as convenient may be.

3.2 **Special Meetings.** Special meetings of the Members may be called by a majority of the Board.

3.3 **Place of Meeting.** A majority of the Board may designate any place, within Dallas County or a county adjacent to Dallas County, Texas, as the place of meeting for any annual meeting or any special meeting of the Members called by the Board. If no designation is made or if a special meeting of the Members is otherwise called, the place of meeting shall be the registered office of the Association in the State of Texas.

3.4 **Notice of Meetings.** Written or printed notice stating the place, day and hour of any meeting of Members shall be delivered, either personally, by facsimile transmission, electronic mail ("email") or by mail, to each Member entitled to vote at such meeting, not less than ten (10) nor more than sixty (60) days before the date of such meeting, by or at the direction of the President, the Secretary, or the Directors. In case of a special meeting or when required by statute or by these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Association, with postage thereon prepaid. If sent by facsimile or email, the notice of the meeting shall be deemed delivered upon successful transmission of such facsimile or email. In addition, a notice under this Section 3.4 shall be posted in a conspicuous manner reasonably designed to provide notice to the Association Members (a) in a place located outside the corporate offices of the Association that is accessible by the general membership during normal business hours; or (b) on any Internet website maintained by the Association. Unless otherwise provided by the Declaration these Bylaws or applicable law, any number of the Members may attend the meeting by use of videoconferencing or a similar telecommunication method for purposes of establishing full participation in the meeting.

3.5 **Record Dates.** The Board may establish a record date for determining the Members entitled to notice of a meeting and entitled to vote or exercise any other lawful rights at the meeting. If the Board does not establish a record date (a) Members at the close of business on the business day preceding the date on which notice is given are entitled to notice of the meeting and (b) Members on the date of the meeting who are otherwise eligible to vote shall be entitled to vote at the meeting. A record date established by the Board may not be more than sixty (60) days before the date of the meeting. A determination of Members entitled to notice of or to vote at a

meeting of the Members shall be effective for any adjournment of the meeting unless the Board fixes a new record date. The Board must fix a new record date if the meeting is adjourned to a date more than ninety (90) days after the original record date for the meeting.

3.6 Informal Action by Members. Any action required by law to be taken at a meeting of the Members, or any action which may be taken at a meeting of Members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Members entitled to vote with respect to the subject matter thereof.

3.7 Quorum. The Members holding one-half of the total eligible votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of Members, a majority of the Members present may adjourn the meeting from time to time without further notice.

3.8 Majority Vote. When a quorum is present at any meeting, the vote of the Members holding a majority of all votes held by the Members, present in person or represented by proxy at the meeting, shall decide all matters brought before the meeting, unless the matter is one which, by express provision of law or the Declaration or the Certificate of Incorporation ("Certificate") of the Association or Bylaws of the Association, a different vote is required, in which case such express provision shall govern and control the decision of such matter.

3.9 Proxies. At any meeting of Members, a Member entitled to vote may vote by proxy executed in writing by the Member or by such Member's duly appointed representative with proof, acceptable to the Association, of such representations express authority to act on such Member's behalf. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in proxy. Each Member of the Association may vote by proxy as provided for nonprofit corporations under Sections 22.160(b) and (c), Business Organization Code. Notwithstanding any provision of the certificate of formation or these Bylaws to the contrary, a Member vote on any matter may be conducted by mail, by facsimile transmission, by e-mail, or by any combination of those methods.

ARTICLE IV. DIRECTORS

4.1 General Powers. The affairs of the Association shall be managed by its Board in accordance with these Bylaws, the Declaration and applicable law. Directors, other than Non-Voting Members (as hereinafter defined), shall be Members of the Association or the designated representative of an entity that is a Member of the Association. All the corporate powers, except as otherwise provided by law or the Certificate or Bylaws of the Association, shall be vested in and exercised by the Board.

4.2 Number, Election, Tenure and Qualifications.

(a) The number of Directors shall be not less than three (3) nor more than seven (7) and shall be elected by the Members. The number of Directors may be increased or decreased from time to time by amendment

to these Bylaws, but no decrease shall have the effect of shortening the term of any incumbent Director. The total number of Directors may not be decreased to less than three (3). A Chairman (herein so called) and a Vice Chairman (herein so called) shall be appointed by a majority of the elected Directors. The Chairman shall preside over all meetings of the Members and of the Board. In the absence of the Chairman, the Vice Chairman shall preside over all meetings of the Members and the Board. Directors shall be elected by a majority of the votes cast by the Members of the Association entitled to vote in the election of Directors present, in person or by proxy, at a meeting of the Members at which a quorum is present. Cumulative voting shall not be permitted. Each Director shall hold office until the next annual meeting of Members concurrent with the expiration of the elected term and until his successor has been elected and qualified.

(b) The Board shall consist of seven (7) Directors effective as of October 2007. The Board shall be composed of Three (3) Directors who shall be Members owning Property used for single-family residential purposes ("Residential Director(s)"); three (3) Directors who shall be Members owning Property used for commercial (including multi-family residential) purposes ("Commercial Director(s)"); and one (1) Director who meets the requirements of a Residential Director or Commercial Director (the "At-Large Director").

(c) The Directors shall be classified and elected with respect to the time for which they shall severally hold office by dividing them into three separate and distinct classes with each Director identified by Place 1 – 7 as follows:

- (i) three (3) Directors in the first class (consisting of one (1) Residential Director (Place 1), one (1) Commercial Director (Place 2), and one (1) At-Large Director) (Place 3),
- (ii) two (2) Directors in the second class (consisting of one (1) Residential Director (Place 4), and one (1) Commercial Director) (Place 5), and
- (iii) two (2) Directors in the third class (consisting of one (1) Residential Director (Place 6), and one (1) Commercial Director)" (Place 7).

(d) The Director's term of office shall be limited to an initial term established at the Annual Meeting of Members plus one (1) additional three (3) year term thereafter. A Director who is appointed or elected to serve an unexpired term of a Director who resigns, or is removed in accordance with these Bylaws or applicable law may serve two (2) additional full three (3) year terms thereafter.

(e) Any Director may resign at any time by giving written notice of such resignation to the Board. An interim Director may be appointed by the Board to serve until the next Annual Meeting of the Members at which time a successor shall be elected to the unexpired term. A Board Member may be removed from office for (i) missing two (2) of the preceding three (3) meetings; (ii) malfeasance; or (iii) violating the Conflict of Interest and Non-Disclosure Agreement (the "CNDA"); by majority vote of the remaining Board Members at a duly called Board meeting.

(f) The Board, by majority vote, may from time to time appoint one or more ex-officio (or non-voting) members of the Board (a "Non-Voting Director") for a term of any length determined by the Board, provided that, in the discretion of the Board, the (i) the Non-Voting Director can provide relevant knowledge to the Board.

(ii) total number of Non-Voting Directors shall not exceed five (5) (in addition to the Non-Voting seat held by the acting President) at any given time,

(iii) the immediate past Chairman of the Board, whose chairmanship expires simultaneously with or within six (6) months of the expiration of his/her term on the Board, may serve as a Non-Voting Director for a term of twelve (12) months immediately following the expiration of his/her term, such service is deemed necessary by the Board, and

(iv) the acting President shall serve as Non-Voting Director for such term as designated by the Board.

(g) A Director may serve in the capacity of an officer, concurrently with his/her term on the Board; provided however, that he/she may only serve in the capacity of Secretary or Treasurer.

4.3 **Board Meetings**

(a) A regular annual meeting of the Board shall be held without other notice than these Bylaws, immediately after, and at the same place as, the annual meeting of Members. The Board may provide by majority vote of the Board Members present, the time and place, within Las Colinas, a community of the City of Irving, Texas, for the holding of additional regular meetings of the Board. Notice of such meeting shall be given to all Board Members as provided in these By Laws.

(b) Special meetings of the Board may be called by or at the request of the Chairman or a majority of the Board. The person or persons authorized to call

special meetings of the Board may fix any place within Las Colinas, a community of the City of Irving, Texas, as the place for holding any special meeting of the Board called by them.

(c) Unless otherwise provided herein, elected Directors shall attend and conduct the business of the Association at a meeting under this Section 4.3. For purpose of this Section 4.3 a Board meeting has the meaning, assigned by these Bylaws; however, the term pertains only to regularly or specially called Board meetings called in accordance with these By Laws and does not include the gathering of a quorum of the Board at any other venue, including, without limitation at a social function unrelated to the business of the Association, or the attendance by a quorum of the Board at a regional, state, or national convention, workshop, ceremonial event, or press conference.

(d) The Secretary shall keep a record of each regular, emergency, or special Board meeting in the form of written minutes or an audio recording of the meeting. A record of a meeting must state the subject of each motion or inquiry, regardless if whether the Board takes action on the motion or inquiry, and indicate each vote, order, decision, or other action taken by the Board. The Board shall make meeting records, including approved minutes, available to a Member for inspection and copying, at the Member's expense, during the normal business hours of the Association on the Member's written request to the Board or the Board's representative. The Board shall approve the minutes of a Board meeting not later than the next regular Board meeting.

(e) Unless otherwise provided by the Declaration, before the Board calls an executive session, the Board shall convene in a regular or special Board meeting for which notice has been given as provided by this Section 4.3. During that Board meeting, the Chairman may call an executive session by announcing that an executive session will be held to deliberate a matter described and identifying the specific subdivision of Subsection (e) under which the executive session will be held. A vote or other action item may not be taken in executive session. An executive session is not subject to the requirements of Subsection (d). Unless otherwise provided by the Declaration, the Board may meet in executive session to deliberate:

- (1) anticipated or pending litigation, settlement offers, or interpretations of the law with the Association's legal counsel;
- (2) complaints or charges against or issues regarding Board Member or an agent, employee, contractor, or other representative of the Association;
- (3) all financial matters concerning a specific Member;

- (4) a payment plan for a Member who has a financial obligation to the Association;
- (5) a foreclosure of a lien;
- (6) an enforcement action against a Member, including for nonpayment of amounts due;
- (7) the purchase, exchange, lease, or value of real property, if the Board determines in good faith that deliberation in an open Board meeting may have a detrimental effect on the Association;
- (8) business and financial issues relating to the negotiation of a contract, if the Board determines in its sole discretion, that deliberation in an open Board meeting may have a detrimental effect on the position of the Association;
- (9) matters involving the invasion of privacy of a Member;
- (10) an employee matter; and
- (11) any other matter the Board determines, in its sole discretion, should be addressed in executive session to promote and protect the interests of the Members and the Association.

4.4 **Notice.** Except as otherwise set forth herein, notice of any additional regular or special meeting of the Board shall be given at least seven (7) days previously thereto by written notice delivered personally or sent by mail or facsimile or e-mail to each Director at the physical or e-mail address of such Director as shown by the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice is given by facsimile or e-mail, such notice shall be deemed to be delivered upon successful transmission of the facsimile or e-mail. A copy of any notice sent to the Board by facsimile or e-mail must also be sent to each Director on the same business day by mail or by personal delivery. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully convened or called. The business to be transacted at any regular or special meeting of the Board shall be specified in the notice. Members of the Board may participate in such meetings by means of conference telephone or similar communications equipment by reason of which all persons participating in the meeting can hear each other and participation in a meeting in such manner shall constitute presence in person at such meeting except where a Director so participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened in which event such Director(s) must appear in person.

4.5 **Quorum.** A majority of the Board shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the Directors are present at any meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

4.6 **Manner of Acting.** The act of a majority of the Directors present in person at a meeting at which a quorum is present shall be the act of the Board, unless the act of a greater number is required by law, the Declaration or by these Bylaws.

4.7 **Vacancies.** Any vacancy occurring in the Board shall be filled by the Board even if the remaining Directors constitute less than a quorum; provided, however, that in the event of a vacancy, a Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of any increase in the number of Directors shall be filled by election at an annual meeting or at a special meeting of the Members called for that purpose.

4.8 **Compensation.** Directors as such shall not receive any stated salaries for their services, but, by resolution of the Board, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board; but nothing herein contained shall be construed to preclude any Director from serving the Association in any other capacity and receiving compensation therefore.

4.9 **Informal Action by Directors.** Any action required by law to be taken at a meeting of Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors.

4.10 **Conflicts of Interest.** A Director's or Non-Voting Director's participation in Board meetings and Board related activities shall be wholly conditioned upon such person's execution of the CNDA in form and content acceptable to the Board.

ARTICLE V. OFFICERS

5.1 **Officers.** The officers ("Officer(s)") of the Association shall be a President and a Secretary (herein so called), and, at the discretion of the Board, one or more Vice Presidents (the number thereof to be determined by the Board), a Treasurer (herein so called), and such other officers as may be elected in accordance with the provisions of this Article V. The Board may also elect or appoint such other officers, including one or more Assistant Secretaries (herein so called) and one or more Assistant Treasurers (herein so called), as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board. Any two or more offices may be held by the same person, except the offices of President and Secretary.

5.2 **Election and Term of Office.** Except with respect to contract rights of an Officer, if any, the Officers of the Association shall be elected annually by the Board at the

regular annual meeting of the Board. If the election of Officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. New offices may be created and filled at any meeting of the Board. Each Officer shall hold office until his successor shall have been duly elected and shall have qualified.

5.3 **Removal.** Any Officer elected or appointed by the Board may be removed by the Board at any time, for any or no reason including, without limitation, when, in the Board's judgment, the best interests of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the Officer so removed.

5.4 **Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board for the unexpired portion of the term.

5.5 **President.** The President shall be compensated and shall be the chief executive officer of the Association and shall, in general, supervise and control all of the day-to-day business and affairs of the Association and perform all duties incident to the office of President as well as such other duties as may be prescribed by the Board, from time to time, including, without limitation:

- (a) Review, analyze and execute, with or without the Secretary or any other Officer of the Association as authorized by the Board, any document or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws or by statute to some other Officer or agent of the Association provided however that the President shall not be obligated to obtain the prior approval of the Board to sign such document and/or instrument in the event of an emergency (in which event the President shall receive written consent thereto by either the Chairman or Vice Chairman of the Board and shall present such contract or obligation to the Board for consideration and approval within 30 days of the execution thereof) or (b) that evidence a monetary obligation that is approved by the Board in the Association's annual budget.
- (b) Attend all Board meetings in the capacity of President and Non-Voting Director;
- (c) Manage all aspects of the day to day operations of the Association;
- (d) Recruit, employ and manage employees and Officers of the Association;
- (e) Recruit, engage and manage all vendors serving the Association;
- (f) Develop in concert with the Board, and maintain, a strategic vision for the Association such that business and operational decisions are made consistent with the long-term strategic plan while continuing to manage the detailed aspects of the Association;
- (g) Develop annual operating and capital expenditure budgets and manage these

budgets throughout the year;

- (h) Represent the Association externally on a local, regional, state and national basis;
- (i) Oversee all regulatory and governmental aspects of the Association; and
- (j) Preserve and protect Association assets and the interests of the Members.

5.6 **Vice President.** Any Vice President shall perform such duties as from time to time may be assigned to him by the President or by the Board.

5.7 **Treasurer.** The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies or other depositories as shall be selected by the Board; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors. If required by the Board, the Association shall provide, at its cost and expense, a bond for the faithful discharge of the Treasurer's (or his assistant's) duties in such sum as with such surety or sureties as the Board shall determine. The Board may appoint one or more Assistant Treasurers or employees of the Association to assist the Treasurer in his duties.

5.8 **Secretary.** The Secretary shall keep the minutes of the meetings of the Members and of the Board in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law, be custodian of the Association's records and of the seal of the Association and see that the seal of the Association is affixed to all documents as necessary, the execution of which on behalf of the Association under its seal is duly authorized in accordance with the provisions of these Bylaws; keep a register of the contact information of each Member which shall be furnished to the Secretary by such Member; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board. The Board may approve one or more Assistant Secretaries or employees of the Association to assist the Secretary in his duties.

ARTICLE VI. COMMITTEES

6.1 **Architectural Control Committee.** The Association shall have an Architectural Control Committee ("ACC"), which shall consist of three (3) members appointed by the Board. The members of the ACC shall be natural persons. The members of the ACC as such shall not receive any stated salaries for their services, but, by resolution of the Board, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each meeting thereof; but nothing herein contained shall be construed to preclude any committee member from serving the Association in any other capacity and receiving compensation therefore. Any member of such committee may be removed at any time by the Board without cause. The Board shall have the exclusive right and power at any time and from time to time to appoint additional members and

fill vacancies on such committee. The members of the ACC need not be Members of the Association nor the Board. At the discretion of the Board, the ACC shall have a Commercial Review Subcommittee and a Residential Review Subcommittee (together the "Subcommittees") which subcommittees shall have the right of review and approval, subject to final review by the ACC except for the right and authority to hear appeals of actions taken by the designated Subcommittee(s). No member of either the ACC or Subcommittees may serve or participate in ACC or Subcommittee meetings or events until such time as such member has executed and delivered to the President, a CNDA in form and content acceptable to the Board.

6.2 **Other Committees.** The Board, by resolution adopted by a majority of the Directors, may create one or more committees to oversee and administer the day-to-day functions of the Association. Except as otherwise provided in such resolution, members of such committee or committees need not be Members of the Association or designated representatives of entities that are Members of the Association, and the President of the Association shall appoint the members thereof subject to approval by the Board; provided, however, that any Executive Committee (herein so called), which is expressly permitted, must have its members appointed by the Board and must consist of two or more Directors. The designation and appointment of an Executive Committee and the delegation thereto of authority shall not operate to relieve the Board or any individual Director of any responsibility imposed upon it or such Director by law. Members of a committee as such shall not receive any stated salaries for their services, but, by resolution of the Board, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each meeting thereof; but nothing herein contained shall be construed to preclude any committee member from serving the Association in any other capacity and receiving compensation therefore. The Board shall, on an annual basis, form a Nominating Committee to nominate persons to serve as Directors in place of those Directors whose terms are expiring.

6.3 **Term of Office.** Each member of a committee shall continue as such until the next annual meeting of the Directors of the Association or until the successor to such member is appointed unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

6.4 **Chair.** Except with respect to the ACC or Subcommittee(s) and the Executive Committee, one member of each committee shall be appointed as the Chair (herein so called) of such committee by the President, subject to approval by the Board.

6.5 **Vacancies.** Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

6.6 **Quorum.** Unless otherwise provided in the resolution of the Board designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the Members present at a meeting at which a quorum is present shall be the act of the committee.

6.7 **Rules.** Each committee may adopt rules for its own governance provided such rules are approved by the Board and are not inconsistent with these Bylaws, the Declaration, and applicable law or with rules adopted by the Board.

ARTICLE VII. INDEMNIFICATION

7.1 **Definition.** For purposes of this Article VII:

(a) “Association” includes any domestic or foreign predecessor entity of the Association in a merger, consolidation, or other transaction in which the liabilities of the predecessor are transferred to the Association by operation of law and in any other transaction in which the Association assumes the liabilities of the predecessor but does not specifically exclude liabilities that are the subject matter of this Article VII.

(b) “Director” means any person who is or was a Director of the Association, a Non-Voting Director and any other person who, while a Director of the Association, is or was serving at the request of the Association as a Director, Officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, association, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise.

(c) “Expenses” include all expenses of any kind or nature including without limitation court costs and attorneys’ fees.

(d) “Official Capacity” means:

(1) when used with respect to a Director, the office of Director in the Association; and

(2) when used with respect to a person other than a Director, the elective or appointive office in the Association held by the Officer or the employment undertaken by the employee on behalf of the Association.

(e) “Proceeding” means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitrative, or investigative, any appeal in such an action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit, or proceeding.

7.2 **Standard for Indemnification.** The Association shall indemnify a person acting in an Official Capacity for the Association or who was, is, or is threatened to be made a named defendant or respondent in a proceeding because the person is or was a Director or is or was acting in an Official Capacity of the Association only if it is determined in accordance with Section 7.6 that the person:

- (a) conducted himself or herself in good faith;
- (b) reasonably believed:
 - (1) in the case of conduct of such person serving as a Director or in the Official Capacity of the Association, that such conduct was in the Association's best interest; and
 - (2) in all other cases, that the conduct was at least not opposed to the Association's best interests; and
- (c) in the case of any criminal proceeding, had no reasonable cause to believe such conduct was unlawful.

7.3 Prohibited Indemnification. Except as provided in Section 7.5, a Director or a person acting in an Official Capacity for the Association may not be indemnified under Section 7.2 in respect of a proceeding:

- (a) in which the person is found liable on the basis that personal benefit was improperly received by such person, whether or not the benefit resulted from an action taken in the person's official capacity; or
- (b) in which the person is found liable to the Association.

7.4 Effect of Termination of Proceeding. The termination of a proceeding by judgment, order, settlement, or conviction, or on a plea of nolo contendere, or its equivalent, is not of itself determinative that the person did not meet the requirements set forth in Section 7.2.

7.5 Extent of Indemnification. A person shall be indemnified under Section 7.2 against judgments, penalties (including excise and similar taxes), fines, settlements, and reasonable expenses actually incurred by the person in connection with the proceeding; but if the proceeding was brought by or in behalf of the Association, the indemnification is limited to reasonable expenses actually incurred by the person in connection with the proceeding.

7.6 Determination of Indemnification. A determination of indemnification under Section 7.2 must be made:

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

(c) by special legal counsel selected by the Board or a committee of the Board by vote as set forth in Subsection (a) or (b) of this Section 7.6, or, if such a quorum cannot be obtained and such a committee cannot be established by a majority vote of all Directors; or

(d) by the Members in a vote that excludes the vote of Directors who are named defendants or respondents in the proceeding.

7.7 Authorization of Indemnification. Authorization of indemnification and determination as to reasonableness of expenses must be made in the same manner as the determination that indemnification is permissible, except that (i) if the determination that indemnification is permissible is made by special legal counsel, authorization of indemnification and determination as to reasonableness of expenses must be made in the manner specified by Subsection (c) of Section 7.6 for the selection of special legal counsel, and (ii) the provision of this Article VII making indemnification mandatory in certain cases specified herein shall be deemed to constitute authorization in the manner specified by this Section 7.6 of indemnification in such cases.

7.8 Successful Defense of Proceeding. Notwithstanding any other provision of this Article VII the Association shall indemnify a Director or a person acting in an Official Capacity for the Association against reasonable expenses incurred by such person or Director in connection with a proceeding in which such person is a named defendant or respondent because such person was acting in an Official Capacity for the Association or such person is or was a Director if the person has been wholly successful, on the merits or otherwise, in the defense of the proceeding.

7.9 Court Order in Suit for Indemnification. If in a suit for the indemnification provided by this Article VII, a court of competent jurisdiction determines that the Director or a person acting in an Official Capacity for the Association is entitled to indemnification under this Article VII, the court shall order indemnification and shall award to the person or Director the expenses incurred in securing the indemnification.

7.10 Court Determination of Indemnification. If, upon application of a person acting in an Official Capacity for the Association or Director, a court of competent jurisdiction determines after giving any notice the court considers necessary, that the person or Director is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not the person or Director has met the requirements set forth in Section 7.2 or has been adjudged liable in the circumstances described by Section 7.3, the court may order such indemnification that the court determines is proper and equitable. The court shall limit indemnification to reasonable expenses if the proceeding is brought by or in behalf of the Association or if the person or Director is found liable on the basis that personal benefit was improperly received by the person or Director, whether or not the benefit resulted from an action taken in the person's official capacity.

7.11 Advancement of Expenses. Reasonable expenses incurred by a person acting in an Official Capacity for the Association or Director who was, is, or is threatened to be made a

named defendant or respondent in a proceeding and without the determination specified in Section 7.6 shall be paid or reimbursed by the Association in advance of the final disposition of the proceeding after:

(a) the Association receives a written affirmation by such person or the Director of the good faith belief of such Director that such Director has met the standard of conduct necessary for indemnification under this Article VII and a written obligation of such person or the Director (that can be accepted without reference to financial ability to make repayment) but need not be secured, made by or on behalf of such person or the Director to repay the amount paid or reimbursed if it is ultimately determined that such person or the Director has not met those requirements; and

(b) a determination that the facts then known to those making the determination would not preclude indemnification under this Article VII. The determinations and authorizations of payments under this Section 7.10 must be made in the manner specified by Sections 7.6 and 7.7.

7.12 Expenses of Witness. Notwithstanding any other provision of this Article VII, the Association shall pay or reimburse expenses incurred by a person acting in an Official Capacity for the Association or Director in connection with the appearance as a witness or other participation in a proceeding at a time when the Director or such person is not a named defendant or respondent in the proceeding, given that such appearance or participation occur by reason of such person acting or having acted in an Official Capacity of the Association or such person being or having been a Director of the Association.

7.13 Indemnification of Committee Members/Officers. The Association shall indemnify and advance or reimburse expenses to any person who is or was a member of any committee created by the Board and to any person who is or was an Officer of the Association to the same extent that it shall indemnify and advance or reimburse expenses to Directors and persons acting in Official Capacity of the Association under this Article VII.

7.14 Advancement of Expenses to Officers and Others. The Association shall indemnify and advance expenses to an Officer, and shall indemnify and advance expenses to an employee of the Association, or other person who is identified in Section 7.13 and who is not a Director, to such further extent as such person may be entitled by its Articles of Incorporation, Bylaws, general or specific action of the Board, or contract or as permitted or required by common law.

7.15 Non-Exclusive; Continuation of Indemnification. The indemnification provided by this Article VII shall not be exclusive of any other rights to which the person claiming indemnification may be entitled under any agreement, any vote of disinterested Directors or otherwise. The indemnification and advance payments provided by this Article VII shall continue as to a person who has ceased to hold his position as a Director, Officer or employee and shall inure to the benefit of the heirs, executors and administrators of such person.

7.16 **Liability Insurance.** The Association may purchase and maintain insurance on behalf of any person who is or was a Director, Officer, or employee of the Association or who is or was serving at the request of the Association as a Director, Officer, partner, venturer, proprietor, trustee, employee, agent, or similar 'functionary of another foreign or domestic corporation, association, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise, against any liability asserted against such person and incurred by such person in such a capacity or arising out of the status as such a person, whether or not the Association would have the power to indemnify such person against that liability under this Article VII.

7.17 **Report to Members.** Any indemnification of or advance of expenses to a Director, Officer or employee in accordance with this Article VII shall be reported in writing to the Members of the Association with or before the notice or waiver of notice of the next meeting of Members or with or before the next submission to Members of a consent to action without a meeting pursuant to Article 1396-9.10A of the Texas Non-Profit Corporation Act and, in any case, within the 12-month period immediately following the date of the indemnification or advance.

7.18 **Service to Employee Benefit Plan.** For purposes of this Article VII the Association is deemed to have requested a Director to serve as an employee benefit plan administrator or fiduciary whenever the performance by such person of the duties to the Association also imposed duties on or otherwise involves services by such person to the plan or participants or beneficiaries of the plan. Excise taxes assessed on a Director with respect to an employee benefit plan pursuant to applicable law are deemed fines. Action taken or omitted by such person with respect to an employee benefit plan in the performance of duties for a purpose reasonably believed by such person to be in the interest of the participants and beneficiaries of the plan is deemed to be for a purpose which is not opposed to the best interests of the Association.

ARTICLE VIII. GENERAL PROVISIONS

8.1 **Books and Records.** The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Members, Board and committees having any of the authority of the Board, and shall keep at the registered or principal office all records including the names and addresses of the Members entitled to vote. All books and records of the Association, excluding Members' property files, may be inspected by any Member, in accordance with the Association's current Document Retention Policy and applicable law.

8.2 **Checks and Notes.** All checks or demands for money and notes of the Association shall be signed by such officer or officers or such other person or persons as the Board may from time to time designate.

8.3 **Fiscal Year.** The fiscal year of the Association shall be January 1st to December 31st.

8.4 **Seal.** The Association seal shall have inscribed thereon the name of the Association and shall be in such form as the Board may prescribe.

8.5 **Protective Covenants.** The Protective Covenants set out in the Declaration or any Supplementary or Amended Declaration referred to in Section 2.1 of these Bylaws are binding on the Members of the Association. The Association shall have the right (but not the duty) to enforce any of the covenants and restrictions set out in any such Declaration or Supplementary or Amended Declaration. Enforcement of the covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land, to enforce any lien created by these covenants; and failure by the Association or any owner to enforce any such covenant or restriction shall in no event be deemed a waiver of the right to do so thereafter.

8.6 **Waiver of Notice.** Whenever any notice is required to be given under the provisions of the Texas Non-Profit Corporation Act or under the provisions of these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

8.7 **Resignation.** Any Officer or agent may resign by giving written notice to the President or the Secretary. The resignation shall take effect at the time specified therein. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

8.8 **Amendments to Bylaws.** These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by a majority of the Directors present at any regular meeting or at any special meeting, if at least thirty (30) days prior written notice is given of intention to alter, amend or repeal or to adopt new Bylaws at such special meeting. Such notice shall also include the proposed amendments to the Bylaws and/or the verbiage proposed for any Bylaws.

8.9 **Table of Contents and Headings.** The tables of contents and headings used in these Bylaws have been inserted for convenience only and do not constitute matters to be construed in interpretation.

8.10 **Construction.** Whenever the context so requires, the masculine shall include the feminine and neuter, and the singular shall include the plural, and conversely. If any portion of these Bylaws shall be, invalid or inoperative, then, so far as is reasonable and possible, the remainder of these Bylaws shall be considered valid and effect shall be given to the intent manifested by the portion held invalid or inoperative.

8.11 **Declaration.** Nothing contained in these Bylaws shall constitute an amendment to the Declaration which can only be amended by the Members in the manner specified by the Declaration. However, these Bylaws are intended to implement certain provisions of the Declaration and otherwise, together with the Articles of Incorporation, specify the organization and governance of the Association.

ARTICLE IX.
EQUIPMENT ATTACHED TO ALARM MONITORING SYSTEM
CENTRAL STATION


9.1 **Approval by the Association.** The Board may, at any time and from time to time, approve minimum standards for all Member owned equipment which is or will be connected to the central station then operated by the Association for Member alarm systems. Whenever the Board approves any such minimum standards that would require changes to the Member's current alarm system, it shall cause a copy thereof to be mailed to each Member and all Members shall thereafter be responsible for full compliance with such minimum standards at each Member's sole cost and expense. Changes may be made to current minimum standards at any time without notification to Members if the changes do not require Members to make any adjustments to their existing alarm system. Members shall be responsible for requesting the most current copy of the Association minimum standards before installing, updating or replacing their alarm system. Each Member using the central station monitoring services shall, as a condition thereof, sign a service agreement and information form prescribed by the Board. This agreement and form shall set forth the rights and obligations of the Member and the Association, and provide access and contact information for the Member or the Member's tenants. It is the responsibility of each Member to keep the access and contact information current, and to timely notify the central station of any changes. The Board may delegate the authority to make and implement policies concerning providing individualized monitoring services to tenants of Members.

9.2 **Maintenance by Members.** Each Member shall, at the sole cost and expense of the Member, keep and maintain, including all testing or verifications, all equipment of the Member connected to the central station of the Association. Each Member must keep any such equipment in good condition and repair at all times, including, without limitation, all necessary replacements. Each Member is solely responsible for selecting their own vendor or alarm maintenance company and such company must be licensed with the State of Texas to perform the type of work required or requested. It is the responsibility of the Member to ensure that the vendor is licensed and is aware of and follows any national, city or state codes required for the type of work being done and the Association minimum standards.

9.3 **Enforcement.** If any Member fails or refuses to perform the obligations of the Member under Sections 9.1 or 9.2, and such default continues for thirty (30) days after written notice from the Association specifying the default, the Association shall have the right, but no obligation, to: (i) request the Member disconnect the alarm equipment connected to the central station of the Association until repairs or defaults can be corrected, (ii) no longer offer central station monitoring or response of any nature to the Member's alarm equipment, thus ceasing to supply all services provided through the central station of the Association until specified defaults are corrected, or (iii) arrange to have any signal being sent from the Member's alarm equipment blocked from being received into the central station of the Association, by request through the telephone company, and, if so necessary, done at the Member's expense. In the event of an emergency affecting the Association's ability to operate the central station of the Association, the Association shall not be required to give any notice to any Member before taking necessary steps to cease alarm signals or continual response to said signals. NO MEMBER SHALL HAVE ANY

CLAIM AGAINST THE ASSOCIATION, ITS AGENTS, SERVANTS, EMPLOYEES, CONTRACTORS, DIRECTORS AND OFFICERS, ARISING OUT OF THE OPERATION OF THE CENTRAL STATION BY THE ASSOCIATION OR FOR REFUSING TO CONNECT OR DISCONNECTING FROM THE CENTRAL STATION OF THE ASSOCIATION IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION 9.3. Each Member shall, at the sole cost and expense of the Member, indemnify and hold harmless the Association, its agents, servants, employees, contractors, directors and officers, from and against any and all losses, costs and expenses (including, without limitation, attorneys' fees and court costs and expenses, whether at the trial or appellate levels) in connection with any and all claims for damages arising out of or in connection with, directly or indirectly, any refusal to connect to, or any disconnection from, the central station of the Association in accordance with this Section 9.3. The Board may at any time and from time to time, approve and assess a service fee for response services initiated by Member alarm systems through the central station of the Association, and this service fee will apply to all Members with alarm systems connected to the central station of the Association. At such time as the Board approves and assesses a service fee, the Association shall mail an invoice for such service fee to the Members. The Association has the right to deny alarm monitoring service to any Member and/or their respective tenants who do not have a current alarm permit issued by the City of Irving, Texas.

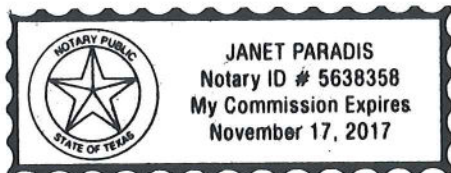
On this the 20th day of September, 2016, I certify that the preceding document is a true, exact, complete, and unaltered copy of the document which was adopted by the Board of Directors of The Las Colinas Association on September 20, 2016, as the Fifth Amended and Restated Bylaws of The Las Colinas Association.


Ethan R. (Rick) Bidne President

State of Texas §
 §
County of Dallas §

This instrument was acknowledged before me on September 20 2016, by Ethan R. (Rick) Bidne, President of The Las Colinas Association, a Texas non-profit corporation, on behalf of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 20th day of September, 2016.




Notary Public in and for the State of Texas

Notary Public's Printed Name

My commission expires: 11/17/17

Filed and Recorded
Official Public Records
John F. Warren, County Clerk
Dallas County, TEXAS
01/27/2017 10:35:14 AM
\$102.00





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