

**WOODWAY HOMES ASSOCIATION, INC.
A TEXAS NON-PROFIT CORPORATION**

BY-LAWS

ARTICLE I

PURPOSE

Section 1.1 The Corporation. Woodway Homes Association, Inc., a Texas non-profit corporation, herein referred to as the Corporation, shall conduct its affairs as a homeowners' association for the mutual benefit of the membership hereof and or civic betterments, social improvements, and operation, maintenance, management, of the common facilities, and recreational facilities of Woodway Sections One and Units 2A, 2B, and III, subdivisions in Victoria County, Texas (hereinafter "the Woodway Subdivisions"). The Corporation shall not participate, directly or indirectly, in political campaigns on behalf of or in opposition to any candidate for public office.

ARTICLE II

MEMBERSHIP

Section 2.1 Persons Who Shall Be Members. The membership of the Corporation shall be the owners of lots in the Woodway Subdivisions in Victoria County, Texas.

Section 2.2 Membership Inseparably Appurtenant to Lot or Lots Owned. Membership in the Corporation shall be inseparably appurtenant to lot or lots in the Woodway Subdivisions owned by members and upon the transfer of ownership of such lot or lots, the membership appurtenant thereto shall be deemed to be transferred to the grantee of such lot or lots. No membership may be conveyed or transferred in any other manner whatsoever.

Section 2.3 No Member May Withdraw Except by Transfer of Title. No member may withdraw except by transfer of title for the sale of the lot or lots which such membership is appurtenant.

ARTICLE III

MEMBERSHIP MEETINGS

Section 3.1 Annual Meetings. The annual meeting of the members of the Corporation shall be held in April of each year at such time as shall be stated in the notice of such meeting, for the purpose of transacting such business as may properly come before the meeting.

Section 3.2 Special Meetings. A special meeting of the members of the Corporation may be called at any time by the Board of Directors, the President, Vice President, or by at least twenty-five percent (25%) of the members of the Corporation, except as otherwise provided by statute or in the Articles of Incorporation or any amendment thereto.

Section 3.3 Place of Meeting. All meetings of the members of the Corporation shall be held in Victoria County, Texas.

Section 3.4 Notice of Meeting. Except as otherwise required by statute, notice of each meeting of the members, whether annual or special, shall be given, at least 10 days but not more than 60 days before the day on which the meeting is to be held, to each member of record, by delivering a written or printed notice of the date, time, place and general subjects to be discussed at the meeting, to each member, personally, or by mailing such notice, postage prepaid, addressed to such member at the current address of each member registered with the Corporation.

Section 3.5 Waivers, Etc. Anything herein contained to the contrary notwithstanding, notice of any meeting of the members of the Corporation shall not be required as to any members who shall attend such meetings in person, or by proxy; and, if any member of the Corporation shall, in person, or by attorney duly authorized, waive notice in writing of any meeting, whether before or after such meeting, notice thereof shall not be required as to him.

Section 3.6 Quorum. After such time as all members can vote, at all meetings of the members of the Corporation (except as otherwise provided by statute, by the Articles of the Corporation, or by these Bylaws), the presence, in person or by proper proxy, of 10% of the total number of the members of the Corporation, shall constitute a quorum for the transaction of business.

Commented [RF1]: This change is not in effect until the membership votes.

Additionally, for purposes of establishing a quorum on a special item to be voted on, absentee ballots and electronic ballots (the latter being those given by email or fax for which the identity of the property owner submitting the ballot can be confirmed) may be counted as an owner present and voting, but only if the absentee or electronic ballot contains each proposed special item action and provides an opportunity to vote for or against each proposed special item action

and contains the following language: "By casting your vote via absentee ballot, you will forgo the opportunity to consider and vote on action from the floor on these proposals if a meeting is held. This means that if there are amendments to these proposals, your votes will not be counted on the final vote on these measures." If the exact language of a special item to be voted on was amended at the meeting to be different from the exact language on the absentee or electronic ballot, said ballot may not be counted to establish a quorum. Absentee or electronic ballots may not be counted if the person casting the ballot actually attends the meeting to vote in person.

Section 3.7 Voting. Each lot in the Woodway Subdivisions shall have one vote. A member shall be able to cast one (1) vote for each lot owned by that member in the Woodway Subdivisions in the election of directors of this Corporation and in the conduct of such other affairs of this Corporation as require a vote of the membership. The vote for any lot owned jointly by spouses may be cast by either spouse without presentation of authority from the other. In any other case of joint or several ownerships of a lot or lots, the owners thereof shall determine who among them shall cast the vote or votes for their lot or lots and shall notify in writing the secretary of the officer presiding at any meeting of the name of the person chosen by them to cast the vote for such lot or lots.

Section 3.8 Proxy. Each member of the Corporation may vote by proxy duly filed in writing with the Secretary of the Corporation prior to or at the annual or any special meeting. No proxy shall be valid after eleven (11) months after its date, unless such proxy provides for a longer period.

ARTICLE IV

BOARD OF DIRECTORS

Section 4.1 Number, Election, Term of Office. The affairs of the Corporation shall be governed and managed by a Board of Directors of 5 individuals elected by the Members. The Directors shall be Members or spouses of such Members; provided, however, a person may not serve on the Board of Directors if the person cohabits at the same personal residence with another Board member.

Directors shall be elected for three-year terms of office and shall serve until their respective successors are elected and qualified. A director whose term ends may be re-elected to the Board.

Section 4.2 Place of Meeting. Meetings of the Board of Directors, or of any committee thereof, must be held within the State of Texas. Board of Directors' meetings shall be held at the Woodway Clubhouse, located at 110 Woodwind Drive, Victoria, Texas, unless otherwise stated.

Section 4.3 Regular Meetings. The Board of Directors may, by resolution adopted by vote of a majority of the whole Board, from time to time, appoint the time and place for holding a regular meeting so the Board, if by it deemed advisable; and such regular meetings shall thereupon be held at the time and place so appointed and such notice thereof as required by law shall be given. In case the day appointed for the regular meeting shall fall on a legal holiday, such meeting shall be held on the next following day not a legal holiday, at the regular appointed hour.

Section 4.4 Special Meetings. Special Meeting so the Board of Directors shall be held whenever called by the President, any Vice-president or by any two of the directors. Notice of any such meeting shall be given as required by law. Notice of any meeting of the Board need not be given, however, to any director, if waived by him before or after such meeting in writing, or if he shall be present at the meeting without any notice thereof having been given, if all the members shall be present thereat. Except as otherwise provided in the By-Laws or as may be indicated in the notice thereof, any and all business may be transacted at any special meeting of the Board of Directors.

Section 4.5 Quorum and Manner of Action. Except as herein otherwise provided, a majority of the then directors shall constitute a quorum for the transaction of business; and, except as otherwise required by statute, or by these By-Laws, the act of a majority of the directors present at any such meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum, a majority of the directors' present may adjourn the meeting, from time to time, until a quorum is present. No notice of any adjourned meeting shall be given.

Section 4.6. Open Board Meetings and Notice to Members of Meetings.

a) All meetings of the Board (excluding workshop meetings and executive sessions) shall be open to all Members, but except as provided in the next sentence, Members other than Directors may not participate in any discussion or deliberation and no audio or video recording of the meeting may be made unless the Board expressly so authorizes at the meeting. However, the Board shall allow an "open" or "new business" portion of the meeting in which any Member can express his/her opinion concerning any new or previously non-discussed matter, but the Board shall have at all times have to right to reasonably limit the number of speakers, the time limit for each presentation and speaker and to adopt other rules of efficiency and decorum.

b) Except as provided below, the Board must give notice to Members of the time, date, place of each board meeting and list of general subjects to be discussed at each board meeting by either 1) mail to each property owner not later than 10 days nor earlier than 60 days before the date of the meeting, or 2) at least 72 hours before the start of the meeting, sending notice by email to each Member who has registered an email address with the Association and either posting the notice in a conspicuous manner reasonably designed to provide notice to Members

on any Internet website maintained by the Association or in a conspicuous place located on the Association's common property or located on privately owned property within the Properties. On the request of a member, the Association will provide that member with the time and place of the next regular or special meeting of the Board. The Board may prohibit attendance by any person who disrupts meetings or interferes with the conduct of board business.

c) Notwithstanding the above, a Board may meet by any method of communication, including electronic and telephonic, without prior notice to Members, if each director may hear and be heard by every other director, or a reasonably unforeseen emergency or urgent necessity requires immediate board action. The Board may also take action by unanimous written consent on routine or administrative matters. Any action taken without notice to Members must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting and documented in the minutes of the next regular or special Board meeting. However, the Board may not consider or vote on fines, damages assessments, initiation of foreclosure actions, initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to public safety, increases in assessments, levying of special assessments, or appeals from a denial of architectural control approval without providing the notice of meeting to Members as provided in subsection b) above.

Section 4.7. Nomination of Directors. Prior to each annual meeting of Members, the Board shall prescribe:

- (a) the opening date and the closing date of a reasonable filing period in which each and every Member who has a bona-fide interest in serving as a Director may file as a candidate for such position;
- (b) that each and every Member who has properly filed shall be included within the ballot;
- (c) that where three (3) or more candidates are vying for one position, election may occur by a plurality (rather than a simple majority) of the votes cast;
- (d) such other rules and regulations which may then be appropriate to conduct the nomination and election of directors in a fair, efficient and cost-effective manner. Each candidate shall be given a reasonable, uniform opportunity to communicate their qualifications to the Members and to solicit votes.

Section 4.8. Election. Directors will be elected by the members of the Corporation. The election of directors will be conducted at the annual meeting of the Corporation, at a special meeting called for that purpose or by any other method permitted by law.

Section 4.9 Vacancies. Subject to the exception below, vacancies on the Board caused by any reason are 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 serves until the next meeting of the Corporation's membership, at which time a successor will be elected to fill the remainder (if any) of the term that was vacated. The exception to the board-elected replacements is the removal of a director by a vote of the Corporation's members, who will elect a replacement.

Section 4.10. Removal of Directors.

(a) Removal by Members. At any annual meeting of the Corporation or at any special meeting of the Corporation called for the purpose of removing a director, any one or more of the directors may be removed with or without cause by members representing 2/3rds of the vote at which a quorum is established and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the members must be given an opportunity to be heard at the meeting.

(b) Removal by Directors. A director may not be removed by the remaining directors, except a director may be removed by at least a majority of the other directors at a meeting of the board called for that purpose if 1) a director has been convicted of a felony or crime involving moral turpitude or 2) a director has been absent from three (3) consecutive regular meetings of the Board of Directors, unless confined by illness or other absence approved by a majority vote of those voting at any meeting thereof.

ARTICLE V

OFFICERS AND AGENTS: POWERS AND DUTIES

Section 5.1 Officers. The elected officers of the Corporation shall be a President, a Vice President, a Secretary and a Treasurer. A person may hold more than one office, except the President and Secretary cannot be the same person. Officers must be Directors.

Section 5.2 Election and Term of Office. The officers of the Corporation shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 5.3 Removal of Elected Officers. Any elected officer may be removed at any time, either with or without cause, by vote of a majority of the whole Board of Directors, at any meeting.

Section 5.4 Vacancies. If any vacancy occurs in any office, the Board of Directors may elect or appoint a successor to fill such vacancy for the remainder of the term.

Section 5.5 President. The President shall be the chief executive officer of the Corporation, and shall have general and active control of its business and affairs. He/she shall preside, when present, at all meetings of the members (except as otherwise provided by statute), and of the Board of Directors. He/she shall have general power to execute deeds and contracts in the name of the Corporation, upon authorization of the Board of Directors; to appoint and fix, subject to the approval of the Board of Directors, the compensation of all employees and agents (other than elected officers) of the Corporation whose appointment is not otherwise provided for; to remove or suspend such employees or agents as shall not have been appointed by the Board of Directors, and to exercise all the powers usually appertaining to the office of president of a corporation.

Section 5.6 Vice President. The Vice President shall perform all such duties and services as shall be assigned to or required of him/her, from time to time, by the Board of Directors or the President, respectively, and, unless his/her authority be expressly limited, shall act, in the order of his/her election, in the place of the President. Exercising all his powers and performing his duties, during his/her absence or disability.

Section 5.7 Secretary. The Secretary shall attend to the giving of notice of all meetings or members and of the Board of Directors and shall keep and attest true records of all proceedings thereat. He/she shall have charge of the corporate seal and have authority to attest any and all instruments or writing to which the same may be affixed. He/she shall keep and account for all books, document, papers and records of the Corporation, except those which are hereinafter directed to be in charge of the Treasurer, and shall generally perform all the duties usually appertaining to the office of secretary of the corporation.

Section 5.8 Treasurer. The Treasurer shall have the care and custody of all monies, funds and securities of the Corporation, and shall deposit or cause to be deposited all funds of the Corporation in and with such depositories as the Bord of Directors shall from time to time, direct. He/she shall have power to endorse for deposit or collection, or otherwise, all checks drafts, notes, bills of exchange or other commercial paper payable to the Corporation, and to give property receipts or discharges therefor. He/she shall keep all books of account relating to the business of the Corporation, and shall render a statement of the Corporation's financial condition whenever required so to do by the Board of Directors or the President.

Section 5.9 Additional Powers and Duties. In addition to the foregoing especially enumerated duties and powers, the several officers of the Corporation shall perform such other duties and exercise such further powers as may be provided in these By-Laws or as the Board of Directors may, from time to time, determine, or as may be assigned to them by any competent superior officer.

ARTICLE VI
INDEMNIFICATION

Section 6.1. When Indemnification is Required, Permitted, and Prohibited.

(a) The Corporation will indemnify a director, officer, member, committee member, employee, or agent of the Corporation who was, is, or may be named defendant or respondent in any proceeding as a result of his or her actions or omissions within the scope of his or her official capacity in the Corporation. For the purposes of this article, an agent includes one who is or was serving at the Corporation's request as a director, officer, partner, venturer, proprietor, trustee, partnership, joint venture, sole proprietorship, trust, employee-benefit plan, or other enterprise.

(b) The Corporation will indemnify a person only if he or she acted in good faith and reasonably believed that his or her conduct was in the Corporation's best interests. In case of a criminal proceeding, the person may be indemnified only if he or she had no reasonable cause to believe that the conduct was unlawful. The Corporation will not indemnify a person who is found liable to the Corporation or is found liable to another on the basis of improperly receiving a personal benefit from the Corporation. A person is conclusively considered to have been found liable in relation to any claim, issue, or matter if the person has been adjudged liable by a court of competent jurisdiction and all appeals have been exhausted. Termination of a proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent does not necessarily preclude indemnification by the Corporation.

(c) The Corporation will pay or reimburse expenses incurred by a director, officer, member, committee member, employee, or agent of the Corporation in connection with the person's appearance as a witness or other participation in a proceeding involving or affecting the Corporation when the person is not a named defendant or respondent in the proceeding.

(d) In addition to the situations otherwise described in this paragraph, the Corporation may indemnify a director, officer, member, committee member, employee, or agent of the Corporation to the extent permitted by law. However, the Corporation will not indemnify any person in any situation in which indemnification is prohibited above.

(e) The Corporation may advance expenses incurred or to be incurred in the defense of a proceeding to a person who might be eventually entitled to indemnification, even though there has been no final disposition of the proceeding. Advancement of expenses may occur only when the procedural conditions specified in Section 6.3 below, have been satisfied. Furthermore, the Corporation will never advance expenses to a person before final disposition of a proceeding if the person is a named defendant or respondent in a proceeding brought by the Corporation or

one or more members or if the person is alleged to have improperly received a personal benefit or committed other willful or intentional misconduct.

(f) The Board may, from time to time, define other and further requirements and limitations for the Corporation to indemnify directors, officers, members, or others related to the Corporation.

Section 6.2. Extent and Nature of Indemnity. The indemnity permitted under these Bylaws includes indemnity against judgments, penalties, (including excise and similar taxes), fines, settlements, and reasonable expenses (including attorney's fees) actually incurred in connection with the proceeding. If the proceeding was brought by or on behalf of the Corporation, the indemnification is limited to reasonable expenses actually incurred by the person in connection with the proceeding.

Section 6.3. Procedures Relating to Indemnification Payments.

(a) Before the Corporation may pay any indemnification expenses (including attorney's fees), the Corporation must specifically determine that indemnification is permissible, authorize indemnification, and determine that expenses to be reimbursed are reasonable, except as provided in subparagraph (c), below. The Corporation may make these determinations and decisions by any one of the following procedures:

(i) Majority vote of a quorum consisting of directors who, at the time of the vote, are not named defendants or respondents in the proceeding.

(ii) 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 or more directors who at the time of the vote are not named defendants or respondents in the proceeding.

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

(iv) Majority vote of members, excluding directors or other members who are named defendants or respondents in the proceeding.

(b) The Corporation will authorize indemnification and determine that expenses to be reimbursed are reasonable in the same manner that it determines whether indemnification is permissible. If special legal counsel determines that indemnification is permissible, authorization of indemnification, and determination of reasonableness of expenses will be made as specified by subparagraph (a)(iii), above, governing selection of special legal counsel. A provision contained in the Articles of Incorporation, or a resolution of members of the Board that requires the indemnification permitted by Section 1 of this Article, above, constitutes sufficient authorization

of indemnification even though the provision may not have been adopted or authorized in the same manner as the determination that indemnification is permissible.

(c) The Corporation will advance expenses before final disposition of a proceeding only after it determines that the facts then known would not preclude indemnification. The determination that the facts then known to those making the determination would not preclude indemnification and authorization of payment will be made in the same manner as a determination that indemnification is permissible under subparagraph (a), above.

In addition to this determination, the Corporation may advance expenses only after it receives a written affirmation and undertaking from the person to receive the advance. The person's written affirmation will state that he or she has met the standard of conduct necessary for indemnification under these Bylaws. The written undertaking will provide for repayment of the amounts advanced by the Corporation if it is ultimately determined that the person has not met the requirements for indemnification. The undertaking will be an unlimited general obligation of the person, but it need not be secured and may be accepted without reference to financial ability to repay.

(d) Any indemnification or advance of expenses will be reported in writing to the Corporation's members. The report will be made with or before the notice or waiver of notice of the next membership meeting, or with or before the next submission to members of a consent to action without a meeting. In any case, the report will be sent within the 12-month period immediately following the date of the indemnification or advance.

ARTICLE VII

MISCELLANEOUS

Section 7.1 Parliamentary Rules. Except as may be modified by Board resolution establishing modified procedures, Robert's Rules of Order (current edition) shall govern the conduct of the Corporation's proceedings when not in conflict with Texas law or these Bylaws.

Section 7.2 Conflicts. If there are conflicts or inconsistencies between the provisions of Texas law, the restrictions covering the Woodway Subdivisions, and these Bylaws, then the provisions of Texas law, the restrictions, and the Bylaws (in that order) shall prevail.

Section 7.3 Notices. It is the responsibility of each member to provide the Secretary of the Corporation of his/her current address for purpose of making sure that the member receives proper notice of all meetings and other matters.

Any written notice required or permitted by these Bylaws may be given personally or by mail. If mailed, such notice shall be addressed to the owner at the owner's last known address as it appears in the records of the Corporation with postage thereon paid. Such notice may be faxed or emailed to an owner, provided the owner has consented to the delivery of such notice by such means by providing a written, signed request to the Secretary of the Corporation, which consent may be revoked at any time by the owner by means of written, signed notice to the Secretary of such revocation. Notice by fax or email, where permitted hereunder, is deemed to be delivered when successfully transmitted.

Section 7.4 Amendments to Bylaws. Although the general authority for amending the Bylaws resides with the Members of the Corporation, certain amendments may be made by the Board of Directors, without a vote of the Members.

(a) Amendments by Directors---The Board may amend these Bylaws without the approval by the Members, provided the proposed amendment has the unanimous approval of the directors: (1) to correct mistakes in the Bylaws and (2) to conform the Bylaws to changes in controlling law applicable to any topic addressed in these Bylaws. All other amendments of these Bylaws must be approved by the Members as provided below.

(b) Amendments by Members--- The Corporation will provide or make available to the Members with any proposed amendment to the Bylaws. The proposed amendment will be included in the notice of any annual or special meeting of the Corporation at which the proposed amendment is to be considered.

Subject to the following limitation, an amendment to these Bylaws must be approved by members representing at least a majority of the votes at a properly called meeting of the Corporation for which a quorum is obtained and for which the above notice was given. In other words, if a quorum is established, the owners of a majority of the lots represented at the meeting, even if less than a majority of the total lots, may approve an amendment to these Bylaws. However, this Section 7.4 regarding Amendments may not be amended without the approval of owners representing at least a majority of the lots within the Woodway Subdivisions.

AMENDED this 11th day of January, 2021.

Dennis Albrecht, President

Tammie Albrecht, Secretary

Berni McBroom, Treasurer