

**BYLAWS
OF
HUNTERS CREEK NEIGHBORHOOD ASSOCIATION, INC.**

ARTICLE I

PURPOSE

The purpose for which Hunters Creek Neighborhood Association, Inc. (the "Association") is formed is to provide for the acquisition, construction, management, maintenance and care of common areas and property of Hunters Creek Subdivision, Units 1,1A, 2,3,4, 5, 6, and 7, located in the City of San Antonio, Bexar County, Texas, according to plats thereof recorded in the Deed and Plat Records, Bexar County, Texas, and other commonly owned or corporate property and to promote the health, safety and welfare of the residents of Hunters Creek Subdivision.

ARTICLE II

MEMBERSHIP AND VOTING

2.1. Membership. The Association shall have three classes of members: (A) Residence Owner members, (B) Lot Owner Members, and (C) Lessee Members.

- A. Residence Owner Members shall consist of all natural persons who own a lot on which a single-family residence has been completed in Hunters Creek Subdivision Unit 1, 1A, 2, 3, 4, 5, 6, or 7, and who have paid the required dues. There shall be no more than two Residence Owner Members for each lot with a completed residence, regardless of how many persons have an ownership interest in that lot.
- B. Lot Owner Members shall consist of all natural persons who own an unimproved lot in Hunters Creek Subdivision Unit 1, 1 A, 2, 3,4, 5, 6, or 7, and who have paid the required dues. There shall be no more than two Lot Owner Members for each unimproved lot, regardless of how many persons have an ownership interest in that lot.
- C. Lessee Members shall consist of all natural persons who lease or rent a single family residence from a Residence Owner in Hunters Creek Subdivision Unit 1, 1A, 2, 3, 4, 5, 6, or 7, and the required dues have been paid by either the Owner or the Lessee.

Residence Owner Members and Lot Owner Members are sometimes collectively referred to herein as "Owner Members." Owner Members and Lessee Members are sometimes collectively referred to herein as "Members"; however, when used in connection with voting matters, Members shall refer only to Owner Members.

2.2. Voting. Each Residence Owner Member shall have one vote. Each Lot Owner Member shall have one vote. Lessee Members shall have no votes. Lessee Members shall be eligible to attend the Association meetings and other Association functions but may not vote or hold elective office in the Association. No one person shall have more than one vote.

2.3. Quorum. A quorum of Members for the annual meeting of Members of the

Association or for any special meeting of the Members shall be 3% of the votes entitled to be cast at such meeting.

2.4. Proxies. Votes may be cast in person or by written, telephonic, or electronic (e-mail) proxy, or by such methods as designated by the Board of Directors.

2.5. Dues. The Board of Directors shall annually establish the amount of membership dues. The amount set as dues shall be the same for each Residence Owner Member, Lot Owner Member and Lessee Member – except that in the case of Residence Owner Members, the payment of one dues amount will entitle multiple owners of one lot with a completed residence to apply for up to two Residence Owner memberships. Annual dues will be due and payable on the first day of May of each year. Dues notices may be sent in mid-April, noting that dues cover the period from May 1 of that year to April 30 of the next year. New member dues shall be the same as the amount established for annual dues for such year. A person or persons owning more than one residence or unimproved lot in Hunters Creek Subdivision Unit 1,1 A, 2, 3,4,5,6, or 7 is expected to pay the Association dues separately for each and every residence or lot he/she owns, or to arrange with his/her lessee(s) to pay the annual dues. The membership of any Member may be terminated by the Board of Directors if membership dues for such Member are not paid within thirty (30) days from the date such dues become due. No Owner Member shall be entitled to vote on any matter if his/her dues are not current.

2.6. Automatic Termination. Membership of an Owner Member will automatically terminate when that Owner Member no longer owns a lot in Hunters Creek Subdivision. Membership of a Lessee Member will automatically terminate when that Lessee Member no longer resides in Hunters Creek Subdivision.

ARTICLE III

ASSOCIATION MEETINGS

- 3.1. Annual Meetings.** Annual meetings of the Members of the Association shall be held on such day in April of each year as the Board of Directors shall designate, unless the Board of Directors shall determine that another time is more appropriate or convenient - provided that an annual meeting is held each calendar year. At such meetings, there shall be elected by the Owner Members a Board of Directors in accordance with the requirements of Section 4.1 of these Bylaws. Voting for the Board of Directors may be by ballot or by voice. The Members may also transact such other business of the Association as may properly come before them. Robert's Rules of Order, current version, shall be the general guide for all formal meeting procedures, unless a majority of the members present votes to substitute some other procedure. However, failure to follow such rules shall not invalidate any act otherwise validly taken.
- 3.2. Special Meetings.** Special meetings of the Members of the Association may be called by the President, the Board of Directors, or by Owner Members having not less than one-tenth (1/10) of the votes entitled to be cast at such meeting. Notice of a special meeting shall state the purpose of the special meeting, and no business except as stated in the notice shall be transacted at the special meeting.
- 3.3. Place of Meeting.** Meetings of the Members of the Association shall be held at such suitable place, convenient to the Members, as the Board of Directors may determine.
- 3.4. Notice of Association Meetings.** Written notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered to each Member no less than ten (10) nor more than (40) days before the date of the meeting, either personally or by mail, by or at the direction of the President, or the Secretary, or the Officers or Owner Members calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his/her address as it appears on the records of the Association, with postage thereon paid.
- 3.5. Waiver of Notice.** Whenever by statute, or by the Articles of Incorporation, or by these Bylaws, notice is required to be given to any Member, a waiver thereof in writing signed by the Member entitled to such notice, whether before or after the time stated in such notice, shall be equivalent to the giving of such notice. Attendance at a meeting shall constitute a waiver of notice of such meeting, except where a person attends for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

ARTICLE IV

BOARD OF DIRECTORS

- 4.1. Number and Qualification.** The affairs of the Association shall be governed by a Board of Directors consisting of seven (7) Owner Members.
- 4.2. Nomination of Directors.** A slate of directors will be submitted by the then Board of Directors at the annual meeting. The President of the then Board of Directors shall automatically be the immediate Past-President member of the next year's Board of Directors. The Vice President of the then Board of Directors shall automatically be the President of the next year's Board of Directors. The then Board of Directors will nominate a slate of four people for the following positions: Vice President, Secretary, Treasurer, and one Director-at-Large. The President of the Hunters Creek Swim and Recreation Club, or his/her designee, shall serve as ex officio Director at large, with vote. Officers shall serve in the dual role of officer and director. Nominations may also be made by any Owner Member by submitting his/her nomination in writing to the Secretary not less than five days before the annual meeting.
- 4.3. Term.** The term of office for all directors except the President and Vice President shall be one (1) year (unless sooner disqualified or removed). The President shall serve a second year on the Board of Directors as Past President without standing for re-election. The Vice President shall serve a second year on the Board of Directors as President. Board members may be elected to successive terms.
- 4.4. Vacancies.** Vacancies in the Board of Directors caused by death, resignation or disqualification, i.e., by any reason other than the removal of a director by a vote of the Owner Members of the Association, shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum; and each person so elected shall be a director until a successor is elected at the next annual meeting of the Members of the Association.
- 4.5. Removal of Directors.** At any regular or special meeting of the Members duly called, any one or more of the directors may be removed with or without cause by the affirmative vote of fifty percent (50%) of the Owner Members, 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 shall be given an opportunity to be heard by the Association.
- 4.6. Compensation.** Directors shall receive no compensation for their services as directors.
- 4.7. Quorum.** A majority of the number of directors shall constitute a quorum for the transaction of business by the Board of Directors. Directors present by proxy may not be counted toward a quorum.
- 4.8 Voting.** The act of the majority of the directors present in person or by proxy at a meeting at which a quorum is in attendance shall be the act of the Board of Directors.

4.9 Action by Unanimous Consent. Any action which may be taken at a meeting of the directors may be taken without a meeting if consent in writing, setting forth the action to be taken, shall be signed by all of the directors.

4.10 Regular Meetings. Following each annual meeting of Members, the newly elected Board of Directors shall hold a regular meeting within thirty-one (31) days, for the purposes of organization and the transaction of other business. The newly elected Directors shall fix the date, time, and place of this meeting at the annual meeting. Additional notice of this first regular meeting shall not be required. Other regular meetings of the Board of Directors shall be held at such time and place as shall be determined, from time to time, by a majority of the directors, but shall be held at least quarterly. Notice of such regular meetings shall be given to each Director personally or by mail, telephone, telegraph, electronic mail, or other appropriate means at least two (2) days prior to the day named for such meeting.

4.11 Special Meetings. Special meetings of the Board of Directors may be called by the President on two (2) days notice to each director, given personally or by mail, telephone or telegraph, which notice shall state the time and place of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary of the Association in like manner on like notice on the written request of one or more directors.

4.12 Waiver of Notice. Before or after any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board of Directors shall be a waiver of notice by him/her of the time and place thereof, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the ground the meeting is not lawfully called. If all the directors are present at any meeting of the Board of Directors, no notice shall be required, and any business may be transacted at such meeting.

4.13 Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of any common property. The Board of Directors may do all such acts and things except as by law or by these Bylaws are reserved expressly to the Members and are not subject to delegation to the Board of Directors. Such powers and duties of the Board of Directors shall include, but shall not be limited to, the following, all of which shall be done for and on behalf of the Members:

- (a) To encourage and provide for acquisition, construction, management, maintenance, care and enhancement of common areas of Hunters Creek Subdivision and commonly owned or operated property, to the extent the Board of Directors, in its discretion, deems advisable.
- (b) To act as a liaison with city, county, and other governmental agencies regarding activities which affect Hunters Creek Subdivision.
- (c) To welcome new residents and provide programs of general interest for all Members to enhance the quality of life in Hunters Creek Subdivision.

- (d) To provide for the designation, hiring and removal of employees and other personnel, including accountants and attorneys, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of common areas and commonly owned property within Hunters Creek Subdivision, and to provide common services.
- (e) To determine the fiscal year of the Association.
- (f) To keep and maintain complete and accurate books and records showing all receipts, expenses or disbursements of the Association, and to permit examination thereof at any reasonable time by each of the Members.
- (g) To prepare and make available annually to each Member a statement showing all receipts, expenses and disbursements since the last statement.
- (h) To enter into contracts and agreements within the scope of their duties and powers.
- (i) To establish a bank account or accounts for the common treasury and for all separate funds which are required or may be deemed advisable by the Board of Directors.
- (j) To raise funds by dues, solicitations, and benefits; and
- (k) In general, to carry on the administration of the Association, and to do all things necessary and reasonable in order to promote and encourage the development and maintenance of Hunters Creek Subdivision as a prime residential area, and to perform the duties and obligations and exercise the rights and powers conferred upon the Board of Directors in these Bylaws.
- (l) By resolution adopted by a majority of the entire Board of Directors, to appoint one or more committees, which, to the extent provided in such resolution, shall have the authority of the Board of Directors in the management of the Association. Each such committee shall consist of two or more Owner Members appointed by majority vote of the Board of Directors. Meetings of committees shall be held at any time and place as designated by the committee chair. The committee chair reports to the regular meetings of the Board of Directors either in person or by written report. Officers and Directors may serve as committee chairs with the concurrence of a majority vote of the Board of Directors. The Association shall have five (5) standing committees: Covenant, Neighborhood Watch, New Residents, Landscape Maintenance, and Newsletter. Other committees not having and exercising the authority of the Board of Directors in the management of the Association may be designated and appointed by a resolution adopted by a majority of the directors at a meeting at which a quorum is present.

4.14. Limit on Expenditures. The Association shall at no time expend more money within any one year than the total amount of dues collected for that particular year, plus any surplus on hand from previous years' dues or other funds on hand from contributions, benefits, etc.; nor shall the Association enter into any contract whatever binding the dues of any future year to pay for any such obligation. No such contract shall be valid or enforceable.

4.15. Execution of Instruments. The persons authorized to execute any and all instruments, conveyance, or contracts on behalf of the Association are the President and Secretary, or such other person or persons as shall be specifically authorized by the Board of Directors.

ARTICLE V

OFFICERS

- 5.1. Designation.** The officers of the Association shall be a President, a Vice-President, a Secretary, and a Treasurer, elected by the Owner Members, and all of whom shall also serve as directors. Each officer shall be an Owner Member.
- 5.2. Term of Office.** Each officer shall hold office for one year simultaneously with his/her term as director.
- 5.3. Resignation of Officers.** Any officer may resign at any time by giving written notice to the Board of Directors. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.
- 5.4. Vacancies.** A vacancy in any office because of the death, resignation or disqualification (i.e., by a reason other than the removal of an officer/director by the vote of the Owner Members of the Association) of the officer previously filling such office shall be filled by vote of the majority of the remaining directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he/she replaces.
- 5.5. President.** The President shall be the chief executive officer of the Association. He/she shall preside at all meetings of the members of the Association and of the Board of Directors. He/she shall have all of the general powers and duties which are usually vested in the office of president of a non-profit corporation.
- 5.6. Vice President.** The Vice-President shall have all the powers and authority and perform all the functions and duties of the President, in the absence of the President, or his/her inability for any reason to exercise such powers and functions or perform such duties, and also perform any duties he/she is directed to perform by the President.
- 5.7. Secretary.** The Secretary shall keep all the minutes of the meetings of the Members of the Association; he/she shall have charge of such books and papers as the Board of Directors may direct; and he/she shall, in general, perform all the duties incident to the office of Secretary. The Secretary shall be responsible for maintaining a complete list of Members and their last known addresses.
- 5.8. Treasurer.** The Treasurer shall have responsibility for Association funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He/she shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may from time to time be designated by the Board of Directors.

ARTICLE VI

INDEMNIFICATION OF OFFICERS AND DIRECTOR

6.1. Indemnification. The Association shall have the power to indemnify any director or officer or former director or officer of the Association for expenses and costs (including, without limitation, attorneys' fees, judgments paid, or settlement amounts) actually and necessarily incurred by him/her in connection with any claim asserted against him/her by action in court or otherwise, by reason of his/her being or having been such director or officer, except in relation to matters as to which he/she shall have been guilty of negligence or misconduct in respect of the matter in which indemnity is sought.

Indemnification under the preceding paragraph shall be made by the Association only as authorized in each specific case upon the determination that indemnification of such person is proper in the circumstances because he/she has met the applicable standards of conduct as set forth above. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding; or (2) if such a quorum is not obtainable, by the majority of the Owner Members eligible to vote. No Member shall be disqualified from voting because he/she is or was party to any such action, suit or proceeding. This right to indemnification shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors, administrator, successors and assigns of such person.

6.2. Advance Payment. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific case, upon receipt of an undertaking by or on behalf of the person seeking such indemnification or payment in advance to repay such amount, unless it shall ultimately be determined that he/she is entitled to be indemnified by the Association as authorized in Section 6.1.

6.3. Insurance. The Association may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association against any liability asserted against him/her and incurred by him/her in any such capacity, or arising out of his/her status as such, whether or not the Association would have the power to indemnify him/her against such liability under the provisions of this Article.

6.4. Outside Activity. Nothing in this Article VI shall be deemed to obligate the Association to indemnify any Member who is or has been a director or officer of the Association with respect to any duties or obligations assumed or liability incurred by him/her that were assumed or incurred outside of this conduct specifically related to the fulfillment of his/her duties as an officer or director of the Association.

6.5. Contractual Liability. The officers and agents designated by the Board of Directors to enter into contracts or other commitments for the Association shall act as agents for the Association, and they shall have no personal liability for any such contract or commitment, provided such officer or agent is acting within his/her scope of authority.

6.6. **Non-Exclusive Right.** The indemnification provided by this Article VI shall not be deemed exclusive of any other rights to which one seeking indemnification may be otherwise entitled at law or in equity or by contract.

ARTICLE VII

CONTRACTS WITH RELATED PARTIES

7.1. **Fiduciary Duty.** When acting as a director, each person shall place the interests of the Association and the Members before his/her individual interest or the interests of any other group or association of persons.

7.2. **Contracts with Related Parties.** No contract or other transaction between the Association and one or more of the directors, or between the Association and any corporation, firm or association in which one or more of the directors of this Association are directors, or are financially interested, is void or voidable because such director or directors are present at the meeting of the Board of Directors which authorizes or approves the contract or transaction or because his/her or their votes are counted, if the fact of the common directorship or financial interest is disclosed in writing to the Board of Directors and noted in the minutes, and the Board of Directors authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for the purpose without counting the vote or votes of such director or directors.

Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors which authorizes, approves or ratifies a contract or transaction.

ARTICLE VIII

AMENDMENTS TO BYLAWS

These Bylaws may be amended in writing upon the affirmative vote by sixty-seven percent (67%) of the Owner Members present at a meeting of the Members at which ten percent (10%) of the members entitled to vote is present in person or by proxy -provided notice of the proposed change is given in the notice of such meeting.

ARTICLE IX

NON-PROFIT ASSOCIATION

This Association is not organized for profit. No member, director, officer or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Association be distributed to, or inure to the benefit of any Member, director or officer - provided, however, always (1) that reasonable compensation may be paid to any Member, director or officer while acting as an agent or employee of the Association for services rendered in effecting one or more of the purposes of the Association, and (2) that any Member, director or officer may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

ARTICLE X

INVALID PROVISIONS

The invalidity of any provision or provisions of these Bylaws shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of these Bylaws, and in such event, all of the other provisions of these Bylaws shall continue in full force and effect as if such invalid provision had never been included therein.

The foregoing Bylaws of the Association combine the original Bylaws, signed on **March 22, 1988**, by the initial directors of the Association, with the amendments voted on and approved by the membership at the Annual Meeting of the Association on **April 2, 2001**.

IN WITNESS WHEREOF, the undersigned, being a majority of the current directors of the Association, in order to adopt the foregoing amended Bylaws of the Association, have hereunto set their hands at San Antonio, Texas, this the **6th day of June, 2001**.

HUNTERS CREEK NEIGHBORHOOD
ASSOCIATION, INC.

Debra L. Moorman Muskat

By: Howard S. Perry III

Cynthia B. Cunningham
Cynthia B. Cunningham

By: John F. Kramer
John F. Kramer

By: Constance E. Beck
Constance E. Beck

By: Clarke E. Bird

By:
Clarke E. Bird
By:

Steven M. Ross