

AMENDED & RESTATED BYLAWS OF BIRCH CREEK FOREST PROPERTIES, INC.

ARTICLE I. Offices

The principal office of the Corporation shall be located at 202 Birch Forest Dr., Somerville, TX 77879, Birch Creek Forest, Burleson County, Texas. The Corporation may have such other offices as the Board of Directors may determine or as the affairs of the Corporation may require from time to time.

The Corporation shall have and continuously maintain in the State of Texas, a registered office and a registered agent whose office is identical with such registered office, as required by the Texas Business Organizations Code and the Corporation's Articles of Incorporation.

ARTICLE II. Membership

Section 1. Property Owner Membership: Membership in Birch Creek Forest Properties, Inc. (the "Association") is determined by property ownership as defined in the Association's dedicatory instruments, including, applicable Deed Restrictions, Articles of Incorporation, and these Bylaws. Certain lots are expressly excluded from membership under the Deed Restrictions of Section VII. All other property owners of lots within the boundaries of Birch Creek Forest Properties, Inc., as recorded in the map records of Burleson County, Texas, are deemed Members of the Association. For clarity, the current Bylaws state that Members are those whose lots are "subject to the restrictive covenants." In accordance with **Texas Property Code Section 202.001**, "restrictive covenants" includes all valid dedicatory instruments adopted by the Association, not solely deed restrictions, which ensures consistent membership and assessment obligations. Membership constitutes a binding personal contractual obligation, requiring Members to comply with all responsibilities, including assessments, governance, and enforcement, as outlined in these Bylaws.

Section 2. Class of Members:

- The Association shall have one Class of Members, as permitted under **Texas Business Organizations Code Chapter 22, Section 22.151**.
- All Members shall have equal voting rights and responsibilities.
- The Board of Directors may adopt administrative or operational distinctions among properties, provided such distinctions do not alter membership status or affect voting rights.
- Membership rights and obligations may be updated periodically to ensure consistency, and compliance with state laws.

Section 3. Member's Rights and Obligations:

1. Rights:

- **Voting Rights:** Members shall be entitled to one vote per lot owned, for the election of the Board of Directors, which will be held during the Annual meeting in September. Except for Deed Restrictions, all other Association matters, including budgets, assessments, and amendments to the Association's dedicatory instruments, each Member in attendance, or by proxy, at a Regular, Special or Annual meeting, shall

be entitled to one vote per owner, as outlined in the *Elections and Voting Policy and Procedures*.

- **Amenity Access:** Members have full access to Association maintained amenities and common areas, such as recreational facilities, green spaces, community center, dump, road maintenance, street lighting, mailboxes, ponds and all other shared infrastructure. Pool access, community center rental, and any other amenity as may be deemed necessary by the Board, are accessible on a fee-for-use basis. The fee shall be reviewed annually by the Board, and outlined in the *Enforcement, Fines, and Fees Policy* in accordance with **Texas Property Code Section 209.0061**. Use of another Member's access card is strictly prohibited and will result in an immediate fine and deactivation of the Member's access card in accordance with the *Enforcement, Fines and Fees Policy*. Members are entitled to request a hearing before the Board within thirty (30) days of the date a violation notice is mailed pursuant to **Texas Property Code Section 209.006**, or its successor statute.
- **Leadership Eligibility:** All Members have the right to run for a position on the Board of Directors and other Committees in accordance with **Texas Property Code Section 209.00591**. The Association encourages all candidates to be in financial good standing. A Member is considered in financial good standing if all assessments, dues, and other monetary obligations are paid in full by the stated due dates.
- **Meetings:** Members shall have full access and participation in all Regular, Special and Annual meetings.

2. Obligations:

- In accordance with **Texas Property Code Sections 209.002(1)(4)(7)(8)**, the Association has the right to levy regular assessments, (a charge, a fee or dues) to govern the administration and operations for the benefit of the subdivision. Members must pay annual Maintenance Fees or other fees as outlined in these Bylaws.
- Members must comply fully with all dedicatory instruments including, applicable Deed Restrictions, Bylaws, the Rules and Regulations, Architectural Guidelines and all other duly adopted Association policies.

ARTICLE III. Meetings

Section 1. Annual Meeting: An Annual Meeting of the Members shall be held at Birch Creek Forest on the first Saturday in September of each year at the hour of 10:00 a.m., or on such other date, time, and place as the Board may determine if circumstances reasonably require, for the purpose of electing the Board of Directors and for the transaction of such other business as may come before the meeting. If the election of Directors is not held on the day designated herein, the Board of Directors shall cause the election to be held at a Special Meeting of the Members as soon thereafter as conveniently may be, but in any event within thirty (30) days.

Section 2. Special Meetings: Special Meetings of the Members may be called by the President, the Board of Directors, or not less than one-tenth of the Members having voting rights and shall be conducted in accordance with **Texas Property Code Section 209.014**.

Section 3. Failure to Hold an Annual Meeting: If the Board of Directors fails to hold an annual meeting of the Members, an owner may demand that the meeting of the Association Members be called no later than the 30th day after the owner's demand. The owner's demand must be in writing and sent by certified mail to the registered agent of the property owner's association or to the Association at the address for the Association according to the most recently filed management certificate. If the Board of Directors still fails to call an election, an election committee may be formed to call a meeting as provided in the **Texas Property Code Section 209.014**, as it may be amended from time to time.

Section 4. Notice of Meetings: In accordance with **Texas Property Code Sections 209.0051 and 209.0042**, the Board shall provide notice of the place, date, and time for Annual, Regular, and Special Meetings through standard communication channels including email, the Association's website, or subdivision bulletin boards. Notice for Annual or Special Meetings of the Members must be given no later than 10 days and no earlier than 60 days before the meeting by the President, Board of Directors, or the designated person calling the meeting. Notices for Regular Board Meetings must be provided at least 144 hours in advance of the meeting unless it's an emergency meeting. Notices for Special Board Meetings must be provided at least 72 hours in advance of the meeting. The notices shall clearly state the meeting's purpose. Members may request mailed notices by submitting a written request to the Board. If mailed, it is considered delivered upon deposit in the United States Postal Service to the member's address on record. If no preference is indicated, notices will be sent via the Board's selected communication methods.

Section 5. General Notices: All other notices, which are not required to be sent via certified mail under **Texas Property Code Section 209.0051 and Section 209.006**, shall be provided through standard communication channels, including email, posting on the Association's website, or posting on bulletin boards within the subdivision. Members may request mailed notices by submitting a written request to the Board. If no preference is indicated, notices will be sent via the Board's selected communication methods. It is the responsibility of each Member to provide and maintain accurate contact information, including their mailing address, email address, and phone number, to ensure proper receipt of notices from the Association.

Section 6. Quorum: A quorum for any meeting of the Members shall consist of at least twenty-five (25) Members, either present in person or represented by proxy. This quorum includes both the Board of Directors and general Members. If a quorum is not achieved at any meeting, a majority of the Members present may adjourn the meeting without the need for further notice.

Section 7. Open Meetings: All regular, and special meetings of the Board of Directors shall be open to the Members. The Board of Directors may adjourn to executive session to address personnel issues, litigation, contract negotiation, enforcement actions, and confidential communications. Following an executive session, any decision made by the Board shall be summarized orally and placed in the minutes in general terms without breaching the privacy of individual owners and distributing information that needs to remain confidential.

Section 8. Proxies: At any meeting of Members, a Member entitled to vote, may designate another person, including a Member of the Board of Directors, to represent and act on their behalf, provided such proxy authorization is in writing by the Member. A designated proxy must act in good faith and in the best interest of the Member assigning the proxy vote. Board Members may

serve as proxy agents for up to three (3) Members at any given meeting but may not appoint a proxy agent to vote on their behalf. All other Members may hold a maximum of five (5) proxies. The Board may adopt a standard proxy form and may revise it from time to time to reflect the nature of the vote or meeting. Proxies must designate an individual as an Agent to be valid; any proxy without a designated Agent will be disregarded. Proxies are valid for a maximum of eleven (11) months from the date of execution unless revoked earlier. All proxies must be submitted to the Secretary, no later than **48 hours** before the scheduled meeting to be counted.

Section 9. Voting:

- **Voting Election Process:**

- a. Members may vote in person, by proxy, by absentee ballot, or by electronic ballot in accordance with **Texas Property Code Section 209.00592** and the Association's *Elections and Voting Procedures Policy*.
- b. Ballots must be in writing, signed by the Member, and submitted in a sealed envelope clearly marked "**BALLOT**."
- c. Proxies must be received by the Secretary no later than **48 hours** before and Absentee Ballots **1 hour** before the scheduled meeting to be counted.

- **Voting on Other Matters:**

Voting on amendments or any other Association matters requiring member approval may be conducted in person, by proxy, or by absentee ballot, or by electronic ballot following the above procedures and as outlined in the Association's *Elections and Voting Procedures Policy*.

- **Voting Oversight & Disputes:**

- a. Elections and voting shall be conducted in accordance with the Association's *Elections and Voting Policy and Procedures*, and **Texas Property Code Section 209.0057 and 209.0058** which governs ballot handling, proxy verification, vote counting, and dispute resolution.
- b. Any Member may request a recount of votes in accordance with **Texas Property Code Section 209.0057**. The request must be submitted in writing within 15 days of the election or announcement of results and must follow the procedures outlined in the Association's *Elections and Voting Policy*.
- c. Any other election-related disputes must be submitted in writing within 15 days of the election results. The Board shall issue a final decision within 30 days of submission.

ARTICLE IV. Board of Directors

Section 1. Election: The Board of Directors shall be elected by vote of the Members at the Annual Meeting. At a Regular Monthly Board Meeting held at least sixty (60) days prior to the Annual Meeting, the Board may appoint a Nominating Committee in accordance with the Association's *Nominating Committee Policy*. The Nominating Committee of three (3) Members shall be appointed no later than the July Board Meeting. The Committee may assist in identifying and encouraging candidates and may submit nominations during the two (2) Regular Monthly Board Meetings in July or August. In addition, any Member may express their intent to run for the Board at either of the two (2) Regular Monthly Board Meetings held in July and August preceding the Annual Meeting, or in response to the Association's formal solicitation of candidates in

accordance with **Texas Property Code Section 209.00593**. The solicitation notice shall specify a deadline for candidate submissions, which shall not be earlier than the tenth (10th) day after the date the notice is provided. All eligible Members who timely notify the Association of their intent to run shall be included on the ballot. Candidates may submit their intent to run, along with their contact information and personal statement, using the ***Candidate Information Form*** provided by the Association. This form helps ensure consistency in processing and presenting candidate details for the election and is administrative only, and not an eligibility requirement.

Section 2. Number, Tenure and Qualifications: The number of Directors shall be five (5). Each Director elected at the Annual Meeting shall serve a two (2) year term with no limitation to the number of terms. The Board of Directors shall operate using a staggered term system to ensure continuity of leadership and effective governance. Under this system, two Members will have their terms expire in one year, while three Members will have their terms expire the following year to prevent a complete turnover of Board Members in any single year. A person who has been convicted of a felony or of a crime involving moral turpitude within the previous twenty (20) years and there is written, documented evidence of such a conviction from a database or other record maintained by a governmental law enforcement authority. A person with this type of conviction is immediately ineligible to serve on the Board of Directors, is automatically considered removed from the Board, and is prohibited from future service on the Board of Directors. Directors must be Members of the Association. A person is not eligible to serve on the Board if the person cohabits at the same primary residence with another Member of the Board. The Board may increase the number of Directors, if deemed necessary, for the effective governance of the Association.

Section 3. Removal of Directors: A Director shall be removed if convicted of a felony or a crime involving moral turpitude, or by a majority vote of the remaining Directors for good cause, including but not limited to conduct detrimental to the best interest of the Association. A Director may be removed for failure to attend three (3) successive regular meetings of the Board of Directors. In addition, a Director who becomes delinquent in the payment of assessments or other monetary obligations to the Association may be subject to removal in accordance with the procedures set forth in these Bylaws and applicable law. For purposes of this section, a Director is considered delinquent if any such obligation is not paid in full by its stated due date.

Section 4. Vacancies: Any vacancy occurring in the Board of Directors as a result of a resignation of a Board Member, or the death or disability of a Board Member, shall be filled by appointment by a majority vote of the Board of Directors, even if less than a quorum, or by a sole remaining Director within 30 days of the vacancy. Any Director appointed to fill a vacancy shall serve for the remainder of the unexpired term of the Director they are replacing. Any Director appointed to fill a vacancy may not hold the office of President. In the event the President resigns, becomes incapacitated, or is otherwise unable to fulfill the duties of the office, the Vice-President shall immediately assume the role of President for the remainder of the unexpired term. The remaining positions will be reorganized, and the incoming appointed Director will fill the necessary position. Any Director whose term has expired, or any Director's position created by an enlargement of the Board of Directors must be elected at the annual meeting or as otherwise provided in these Bylaws.

Section 5. General Powers: In accordance with the **Texas Business Organizations Code, Chapter 22** and regulated by **Texas Property Code, Chapter 209**, the affairs of the corporation

shall be managed by its Board of Directors, which shall have full authority to oversee the collection, administration, and distribution of the Maintenance Fund for the direct or indirect benefit of the subdivision. The Maintenance Fund may be expended for any purpose that supports the maintenance, improvement, or preservation of property values within the subdivision, including but not limited to the payment of maintenance or improvement expenses for lighting, streets, sidewalks, paths, alleys, green areas, parks, pathways, swimming pool, recreational facilities, esplanades, areas between streets and lot lines, ramps, boat landings, community infrastructure, and public areas; the collection and disposal of garbage, ashes, debris, and waste to ensure a clean and well-maintained environment; the employment of security personnel, including policemen or watchmen, to support community welfare; the enforcement of restrictions; insurance policies; administration costs and legal fees.

The Board of Directors shall have full authority to create, adopt, and implement community and governance policies to effectively govern the Association, including but not limited to: the Dump, Swimming Pool, Community Center; Property Rentals, Rules and Regulations and any other policy the Board deems necessary for the effective governance of the subdivision to ensure orderly administration and enforcement in accordance and alignment with the Association's applicable Deed Restrictions, its dedicatory instruments, and all applicable state laws. The Board shall also have the authority to impose fines and fees as outlined in the Association's ***Enforcement, Fines and Fees Policy***, ensuring compliance with established rules and regulations. The Board is responsible for overseeing the election, the appointment, or removal of any director or officer in accordance with these Bylaws. The Board of Directors may propose amendments to the Articles of Incorporation in accordance with the procedures set forth in Article XIII of these Bylaws. The Board may execute any other necessary or beneficial action to maintain or improve the subdivision in compliance with the Association's dedicatory instruments and applicable state laws.

Section 6. Regular Meetings: The Board of Directors will hold Regular Monthly Meetings on the first Saturday of each month at the Community Building at Birch Creek Forest at 9:00 a.m. If the day fixed for the Regular Meeting should be a legal holiday or otherwise inappropriate, such meeting shall be held on the next succeeding Saturday. Regular Meetings of the Board of Directors shall be open to all members of Birch Creek as outlined in these Bylaws, and all business coming before the Board of Directors shall be conducted in an open meeting format, except when the Board adjourns to executive session as provided for herein. A teleconference participation may be permitted with approval of the President of the Board given prior to the meeting.

Section 7. Special Meetings: Special Meetings of the Board of Directors may be called by or at the request of the President or any two (2) Directors then in office.

Section 8. Notice of a Special Meeting: Notice of any Special Meeting of the Board of Directors shall be given to each Director at least ten days previously thereto by written notice delivered personally or sent by mail or email at his address as shown in the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, with postage thereon prepaid.

Section 9. Quorum: A quorum of the Board of Directors shall consist of **three (3) members**, representing the majority of the total number of Board Members. A quorum must be present to conduct an official Board meeting, to approve resolutions, budgets, or other official actions and to

vote on matters requiring Board approval. If less than a majority (3) of the Directors are present at the start of the meeting, the Directors present, may immediately adjourn the meeting and reschedule it to a later date. A meeting may proceed with fewer than three (3) Directors; however, no formal decisions or actions shall be made, and the meeting shall be documented in the minutes as being held for informational purposes only. Without participating in the meeting's business or transactions, a Director's presence at a meeting is sufficient to formally object to the validity of the meeting if it was not properly called or convened. When a quorum of Directors is present at a meeting, a minimum of three (3) affirmative votes are required for any decision to pass. If fewer than three (3) Directors vote in favor, the motion fails, even when a quorum is present.

Section 10. Resolutions: All matters to be resolved will be presented at a Regular Monthly Meeting of the Board of Directors. Motions, resolutions, and other binding decisions must be transacted at a Regular Monthly Meeting as provided in Section 6 of this Article.

Section 11. Electronic Signatures: Electronic signatures may be used for any Board approved document, including but not limited to amendments to the Bylaws and Articles of Incorporation, resolutions, policies, contracts, meeting minutes, vendor agreements, and member-signed documents. Such signatures shall be legally binding and equivalent to handwritten signatures, provided they are executed through secure digital means, such as encrypted email confirmation, electronic signature platforms, or scanned signatures. The Board may establish additional procedures for electronic signatures as needed to maintain security and compliance with applicable laws.

Section 12. Exceptions: The Board of Directors may adjourn into executive session during a properly noticed Board meeting to discuss matters permitted under **Texas Property Code Section 209.0051(c)**, including but not limited to personnel matters, contract negotiations, enforcement actions, and confidential communications with the Association's attorney. Any final vote or resolution related to such matters shall be conducted in open session.

Section 13. Compensation: Directors shall serve without compensation, except as may be permitted by the Association's Deed Restrictions in Section I, Article II, Paragraph 2, Section (c), which states: "Directors are entitled to compensation for services rendered and reimbursement for reasonable expenses incurred. All sums shall be payable out of the Maintenance Fund." Any Director may serve the Association in any other negotiated capacity and receive compensation therefore, however, said Director shall abstain from voting whenever a decision is to be made regarding the specific business in which the Director receives compensation.

Section 14. Informal Action by Directors: The Board of Directors may take action without a meeting relating to routine and administrative matters, reasonably unforeseen emergencies, circumstances, or an urgent necessity that requires immediate Board action, if it is done by unanimous written consent of the Board. Written consent includes an email or text message inclusive of all Board members with confirmation of their consent.

Section 15. Matters Requiring Notice to Members: In accordance with **Texas Property Code, Section 209.0051(h)**, the Board may not meet and vote without providing prior notice to members affected by its actions. Prior notice shall be provided via email, posting on the Association's website, bulletin boards, or regular mail, as determined by the Board. Members who

prefer mailed notices must submit a written request to the association. Any notices required by law to be sent via a specific method, such as certified mail, will be provided accordingly. Board actions that require notice are as follows:

- a. Fines;
- b. Damage assessments;
- c. Initiation of foreclosure actions;
- d. Enforcement actions, excluding temporary restraining orders or violations involving a threat to health and safety;
- e. Increase in assessments;
- f. Levying special assessments;
- g. Appeals from denials of architectural control applications;
- h. Suspending rights of an owner before the owner has an opportunity to appear before the Board to present the owner's position, including any defense, on the issue;
- i. Lending or borrowing money;
- j. The adoption or amendment of a dedicatory instrument;
- k. The approval of the annual budget or the approval of an amendment to the annual budget;
- l. The sale or purchase of real property;
- m. The filling of a vacancy on the Board;
- n. The construction of capital improvements other than repair, replacement, or enhancement of existing capital improvements;
- o. The election of an officer.

ARTICLE V. Officers

Section 1. Officers: The officers of the Board of Directors of the Association shall be a President, a Vice President, a Secretary, a Treasurer, and an Assistant Secretary/Treasurer. The Board may elect such other officers as it shall deem necessary. Any two or more offices may be held by the same person **except** the offices of President and Secretary.

Section 2. Election and Term of Office: The term for Officer designations of the Board of Directors is two years. Officer designations are determined annually by a majority vote of the Board Members at the Organizational Meeting, which shall follow the Annual Meeting.

Section 3. Removal of an Officer: Any officer of the Board of Directors of the Association may be removed from office by a majority vote of the Board of Directors whenever it is their judgment that the best interest of the Association would be served thereby.

Section 4. Vacancies: A vacancy in any office due to death, resignation, removal, disqualification or otherwise, may be filled by a majority vote of the Board of Directors for the remaining unexpired portion of the term. However, no Director appointed shall hold the office of President.

Section 5. President: The President shall be the principal executive officer of the corporation and shall in general supervise the business and affairs of the corporation. He or She shall preside at all meetings of the members and the Board of Directors. As a member of the Board of Directors the President has the right and obligation to vote on any motion or resolution properly brought

before the Board. He or She may sign, with the Secretary or Treasurer, and any other proper officer of the corporation, authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or by statute to some other officer(s) or agent(s) of the corporation. The President shall represent the Board of Directors and serve as its primary spokesperson for the community and external entities. He or She serves as the face of the Association, engaging with community members to promote transparency and address concerns. The President works closely with Association committees, delegating tasks and supporting their efforts to fulfill specific goals. He or She collaborates with the Treasurer and Board to review budgets and financial reports. In general, he or she shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice-President: In the absence of the President or in the event of his or her inability or refusal to act, the Vice-President (or in the event there may be more than one Vice-President, the Vice Presidents, in the order of their election) shall perform the duties of the President, and when so acting, shall have all powers of and be subject to all the restrictions upon the President. The Vice-President shall assist the President in carrying out his or her responsibilities and may take on specific tasks as delegated to maintain efficiency and cohesion within the community. The Vice-President shall perform such other duties as from time to time may be assigned to him or her by the President or Board of Directors.

Section 7. Treasurer: If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine. He or She shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VII of these Bylaws; and in general, perform all duties incident to the office of the Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Section 8. Secretary: The secretary shall keep the minutes of the meetings of the Members and of the Board of Directors, documenting decisions and discussions in one or more books provided for that purpose. Additionally, he or she shall manage and organize Association records, including governing documents, contracts, resolutions, and correspondence, while keeping an updated roster of property owners and contact information. The Secretary prepares and distributes notices that are duly given in accordance with the provisions of these Bylaws or in accordance with state laws. He or She prepares and distributes agendas, and meeting materials to Members and the Board, certifies elections and amendments as required, and oversees compliance with legal standards for document retention and accessibility. As the custodian of official records, he or she will ensure these are secure and available when needed. He or She also supports the President with administrative tasks and providing procedural guidance as required and is generally responsible for maintaining accurate records and ensuring effective communication within the

Association and shall perform such other duties as from time to time may be assigned by the President or by the Board of Directors.

Section 9. Assistant Treasurer and Secretary: If required by the Board of Directors, the Assistant Treasurer or Secretary shall give bonds for the faithful discharge of his or her duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurer/Secretary supports the Association's financial and administrative functions under the direction of the Treasurer and Secretary. He or She will assist in managing financial records, preparing reports, and overseeing the collection of assessments, while ensuring accuracy and compliance with established procedures. Additionally, he or she will help maintain official Association documents, organize meeting materials, and facilitate communication between the Board and Members. This role provides vital backup to the Treasurer and Secretary, ensuring continuity and efficiency in their respective duties. The Assistant Treasurer and Secretary, in general, shall perform such duties as shall be assigned to him or her by the Treasurer, the Secretary, the President or the Board of Directors.

ARTICLE VI. Committees

Section 1. Committees: In accordance with **Texas Business Organizations Code Chapter 22, Section 22.219**, the Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one or more committees, to the extent provided in said resolution, which shall have and exercise the authority of the Board of Directors in the management of the corporation according to the guidelines provided by the Board of Directors, provided, however, that no such committee shall have the authorities delegated to the Board of Directors as specified in Article IV, Section 5 (General Powers). The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon him or her by law. Committee members thereof may be appointed or removed by the Board of Directors whenever in its judgment the best interests of the Association will be served by such action. Committee members must be in financial good standing at the time of appointment and must maintain such standing throughout their service.

Section 2. Architectural Control Committee: In accordance with **Texas Property Code Chapter 209, 209.00505**, the Architectural Control Committee is responsible for upholding the aesthetic standards of the community by reviewing and approving property modifications, such as landscaping, exterior renovations, or new construction, to ensure compliance with the Association's governing documents. The committee must operate in accordance with the guidelines of its committee charter, which define its scope, authority, and procedures. The committee must provide monthly reports to the Board of Directors at the monthly Regular Meeting adhering to the committee charter and ensuring fairness, consistency, and accountability in decisions, while preserving the community's visual harmony and property values. Additionally, the Board retains the right to appoint or remove committee members at its discretion, ensuring the committee operates effectively and in the best interests of the Association's goals and objectives.

Section 3. Enhancement and Social Committee: The Enhancement/Social Committee is responsible for fostering community engagement and improving the quality of life within the Association by organizing events, activities, and initiatives that enhance the social and aesthetic aspects of the community. The committee works to create a welcoming and vibrant environment through thoughtful planning and collaboration. It must operate in accordance with its committee charter, which defines its scope, authority, and procedures to ensure fairness, consistency, and accountability in its efforts, as well as provide monthly reports to the Board of Directors at the monthly Regular Meeting. Additionally, the Board retains the right to appoint or remove committee members at its discretion in the interest of the Association ensuring the committee functions effectively and supports the broader goals and objectives of the Association.

Section 4. Other Committees: The Board of Directors have the authority to establish and appoint additional standing committees or ad hoc committees as needed to address specific issues or fulfill ongoing responsibilities within the association. These committees will serve to support the Board by focusing on particular areas such as finance, maintenance, or community improvements. Each committee must operate in accordance with its committee charter, which defines its purpose, scope, and procedures, ensuring consistency, accountability, and will provide monthly reports to the Board at the monthly Regular Meeting. Additionally, the Board of Directors retain the right to appoint or remove committee members at its discretion in the interest of the Association ensuring the committees function effectively and adhere to the broader goals and objectives of the Association.

Section 5: Committee Terms of Office: Each Member of a committee shall be appointed by the Board of Directors at the Annual Meeting and shall serve a one-year term until the next Annual Meeting at which time a successor is appointed if needed, the committee is terminated or such Member is removed from the committee by the Board of Directors.

Section 6. Committee Chairperson: One member of each committee shall be appointed Chairperson by the Board of Directors.

Section 7. Committee 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 at the next monthly Regular Board Meeting.

Section 8. Committee Quorum: Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of the majority of the members, present at a meeting at which a quorum is present, shall be the act of the committee.

Section 9. Committee Rules: The committees shall follow the guidelines provided in the committee charter. The committee may submit a request to the Board of Directors for a change or modification the committee feels may be necessary to perform the duties of the committee.

Section 10. Committee Reporting: The committee chairperson or designated person shall give a report to the Board of Directors at each monthly meeting.

ARTICLE VII. Contracts and Banking

Section 1. Contracts: The Board of Directors, by resolution duly made in accordance with these Bylaws, may authorize an officer or officers of the Association to enter into or execute and deliver a contract or instrument in the name of and on behalf of the corporation, such authority being confined to specific instances only.

Section 2. Checks, Drafts, Etc.: All demand orders of payment of money, notes or other evidences of indebtedness over \$500 issued in the name of the Association must be signed by a majority of the Board of Directors. Any checks written for \$2,000.00 or less may be signed by any one (1) Board Member and any checks written over \$2,000.00 will require two (2) signatures.

Section 3. Expenditures: Expenditures of less than \$500.00 for the purpose of general operations or administrative purposes shall be allowed without majority approval by the Board. All such expenditures must have receipts turned in to the office to account for such expense. All expenditures over \$500.00 must have majority approval by the Board.

Section 4. Deposits: All funds of the Association shall be deposited from time to time and in a timely manner to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may select.

Section 5. Gifts: The Board of Directors may accept on behalf of the Association any gift, contribution, bequest, or device for any purpose of the corporation.

ARTICLE VIII. Certificates of Membership

The Board of Directors may, but shall not be required to, provide for the issuance of certificates of membership evidencing membership in the Association, which shall be in the form as may be determined by the Board.

ARTICLE IX. Books and Records

Section 1. Open Records Production and Copying: In accordance with **Texas Property Code Section 209.005(c)**, the books and records of the Association shall be open and reasonably available for inspection by any Member. Original files and records shall not be removed from the office under any circumstances. Removal or possession of original records by any Member, Director or Officer will result in suspension of the Member's access card until the files or records are returned. All records are considered property of the Association. Reasonable costs for compiling, producing, and reproducing records may be charged to the requestor in accordance with **Texas Administrative Code Section 70.3**, and payment may be required in advance. The Association shall maintain a written policy for records production and copying, filed in the Official Records of Burleson County, Texas.

Section 2. Records Retention Policy: At a minimum, the Association will retain the documents required by **Texas Property Code 209.005(m)**, as it may be amended from time to time, for the time periods required by that section. The Association shall adopt a policy relating to records retention which shall be filed of record in the Official Records of Burleson County, Texas. These policies may be adopted, amended, or restated from time to time by the Board of Directors.

ARTICLE X. Fiscal Year

The fiscal year of the corporation shall begin on the first day of June and end on the last day of May of each year.

ARTICLE XI. Maintenance Fees

Section 1. Annual Maintenance Fees: *Texas Property Code Chapter 209.002(8)* defines Regular Assessments as dues, fees, or charges property owners must pay the Association on a regular basis for the benefit of the subdivision. Each lot within the subdivision is subject to annual Maintenance Fees as outlined in these Bylaws, applicable Deed Restrictions and the Articles of Incorporation. All property owners are obligated to pay annual Maintenance Fees for each lot they own, except for the specific lots expressly excluded by the Deed Restrictions of Section VII.

Section 2. Maintenance Fee Increase Procedure: In accordance with *Texas Property Code Sections 209.0051(h)(5) and 209.0051(h)(11)*, the annual budget for the fiscal year will be presented for approval at the Regular Meeting in June of each year.

- A review of the budget shall be conducted by the Board and the Association's Bookkeeper, Accountant, or CPA to determine if a fee increase is necessary. The Board will review for potential adjustments to ensure the financial stability of the Association.
- Any proposed fee increase will be discussed during the monthly meetings leading up to the Annual Meeting in September, allowing Members to ask questions and provide feedback. Potential fee increases over 10% will require a vote of Member approval. Any potential increase of 10% or less, will be voted on and approved by the Board. Any vote for fee increases will take place at the Annual Meeting in September.
- If approved, the new Maintenance Fee structure will take effect on January 1st of the following year, in accordance with these Bylaws.

Section 3. Payment of Maintenance Fees: Maintenance Fees shall be payable in advance, on or before, January 1st of each year as governed by these Bylaws. Fees for a new Member shall be prorated from the first day of the month in which he or she becomes a Member.

Section 4. Late Fees: If Maintenance Fees are not paid by January 31st, a late fee will be applied on February 1st for each lot at the rate listed in the *Enforcement, Fines and Fees Policy*. Late fees will increase incrementally for each month, the outstanding balance remains unpaid.

Section 5. Grace Period and Deactivation: Members are granted an extended grace period through March 31st before deactivation of their amenity access card. This grace period ensures compliance with the 30-day notice requirement under *Texas Property Code Chapter 209.006*, informing Members of their financial obligations and the consequences of non-payment which will be outlined in the formal violation/noncompliance notice sent to the Member by certified mail. Payments not received by March 31st will result in access card deactivation, subject to a reactivation fee specified in the *Enforcement, Fines, and Fees Policy*, and in accordance with these Bylaws. All outstanding Maintenance Fees, late fees, and reactivation fees must be paid in full before the owner's amenity access card is reactivated.

Section 6. Default:

- a) When any Member defaults on the payment of the Maintenance Fees after such fees are due and payable, the right to use the amenities, including, but not limited to, the swimming pool, community center, the dump, park

reservation privileges and other recreational facilities, will be suspended until all outstanding fees are paid in full as indicated in Section 5 above.

- b) **Notice of Default:** *Texas Property Code Section 209.006* states that before the Association, files a suit against a Member except to collect a regular or special assessment, a foreclosure or Association lien, charging an owner with property damage, or levy a fine for violation of applicable Deed Restrictions, Bylaws, Rules and Regulations, or other dedicatory instruments, the Association or its agent must give written notice to the Member by certified mail, return receipt requested. The notice must describe the violation or basis for the action, state the amount of the fine as listed in the ***Enforcement, Fines and Fees Policy***, the damage, or unpaid assessment, and it must give the Member a reasonable opportunity to cure the violation, if it is of a curable nature, or pay the charge or assessment before any suspension or other action takes place. Members have the right to request a hearing before the Board in accordance with the ***Board Hearing Policy and Procedures*** within thirty (30) days of the date a violation notice is mailed. The notice must also state that a Member may have special rights under federal law, including the ***Servicemember Care Relief Act (50 U.S.C. App. Sec. 501, et seq.)*** if the owner is serving in active military duty.

Section 7. Mediation and Arbitration: In accordance with these Bylaws and **Texas Property Code Section 209.007(e)**, if a Member fails to comply after receiving required notices per the Association's Enforcement, Fines, and Fees Policy, or if a dispute remains unresolved after a Board hearing and is deemed significant, recurring, or otherwise unresolved, the matter shall proceed to mandatory mediation as outlined in the Association's ***Alternative Dispute Resolution Policy***. Mediation shall be used selectively and only when deemed appropriate by the Board.

- a) If mediation does not result in a mutually acceptable resolution, the dispute shall advance to binding arbitration, conducted in accordance with the rules and procedures of the **American Arbitration Association (AAA)** or another arbitration body mutually agreed upon by both parties.
- b) Arbitration shall apply to any and all disputes between a Member and the Association, including but not limited to policy disagreements, violation enforcement, assessments, fines, and other governance matters, as permitted by Texas law.
- c) The arbitration decision shall be final and legally enforceable, subject only to limited judicial review as allowed under the **Texas Civil Practice and Remedies Code, (Chapter 171)**, including cases of fraud, misconduct, or procedural errors or any other matter as permitted by Texas law.
- d) The costs of mediation shall be shared equally between the parties. In arbitration, the arbitrator shall determine the allocation of arbitration expenses, including fees, administrative costs, and related legal expenses, to ensure fairness and compliance with Texas law.

Section 8. Collection Fee: A collection fee for payments not made by the due date may be assessed each year for each lot. This is a fee incurred when the Association has to take additional steps to recover unpaid assessments, such as hiring a collection agency or attorney.

ARTICLE XII. Waiver of Notice

Whenever any notice is required to be given under the provisions of the Business Organizations Code, the Articles of Incorporation or the Bylaws, a waiver thereof in writing signed by the

person(s) entitled to such notice, whether before or after the time stated herein, shall be deemed equivalent to the giving of such notice.

ARTICLE XIII. Amendments to the Bylaws

These Bylaws may be altered, amended, or repealed, in whole or in part, pursuant to the authority granted in the Articles of Incorporation and new Bylaws may be adopted by a vote of (1) a quorum of the Members of the Board of Directors AND (2) a majority of the members in attendance, in person or by proxy, at any Regular, Special, or Annual Meeting, at which a quorum is present provided that at least thirty (30) days prior notice is given, of the intention to alter, amend, repeal, or to adopt new Bylaws at such meeting by any method allowed in these Bylaws.

ARTICLE XIV. Indemnification

The Association shall indemnify and hold harmless any current or former Director, Officer, committee member, or volunteer who was, is, or is threatened to be made a party to any proceeding (including a civil, criminal, administrative, or investigative action) by reason of the fact that such person acted in good faith and in an official capacity on behalf of the Association. This indemnification includes protection against expenses, judgments, fines, settlements, and other amounts reasonably incurred in connection with such proceedings. The Association shall maintain Directors and Officers (D&O) liability insurance to support this indemnity, and the rights granted herein shall continue after the individual's service ends and extend to their heirs, executors, and administrators.

BOARD CERTIFICATION

We, the undersigned members of the Board of Directors of Birch Creek Forest Properties, Inc, hereby certify that the foregoing Bylaws were approved by the Members of the Association at a duly called meeting and formally adopted by the Board of Directors on July 12, 2025, in accordance with the governing documents and applicable Texas laws.

President: Kenita Odstrcil

Printed Name: Kenita Odstrcil

Vice-President: Thomas Howard

Printed Name: Thomas Howard

Secretary: John J. Dunkleman

Printed Name: John J. Dunkleman

Treasurer: Ann Marie Gallagher

Printed Name: Ann Marie Gallagher

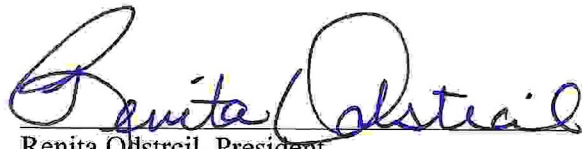
Asst. Sec/Treas: Dennis Shook

Printed Name: Dennis Shook

PRESIDENT'S CERTIFICATION

I, **Renita Odstreil**, as the duly elected President of Birch Creek Forest Properties, Inc., hereby certify that the foregoing Amendment to the Bylaws of Birch Creek Forest Properties, Inc. have been adopted in accordance with the governing documents of the Association and applicable state laws.

IN WITNESS WHEREOF, I have hereunto set my hand this 18th day, July, 20 25

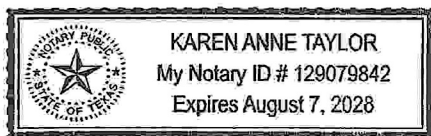

Renita Odstreil, President
Birch Creek Forest Properties, Inc.

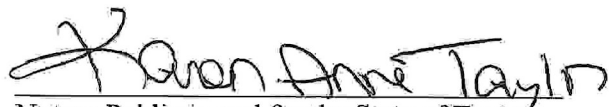
STATE OF TEXAS

COUNTY OF BURLESON

Before me, the undersigned notary public, on this 18th day, July, 2025 personally appeared Renita Odstreil, President of Birch Creek Forest Properties, Inc. who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purpose and in the capacity therein expressed.

WITNESS my hand and official seal.




Notary Public in and for the State of Texas