

WDL HOMEOWNERS ASSOCIATION INC. BYLAWS

ARTICLE I

GENERAL PROVISIONS

1.1 Name and Location. The name of the association is WDL Homeowners Association Inc. (the "Association."). The principal office of the Association shall be located at 2201 Main Street, Suite 1180, Dallas Texas but meetings of Members and Board of Directors may be held within the state of Texas, County of Ellis, as may be designed by the Board of Directors.

1.2 Definitions. The terms which are capitalized or used in these Bylaws shall have the meanings set forth in the Association's Declaration of Covenants, Conditions, and Restrictions (also called "The Declaration").

1.3 Fiscal Year. The fiscal year of the Association begins on the date of incorporation and each and every subsequent year shall begin on the 1st of January and end on the 31st of December.

1.4 Interpretation. In the case of any conflict, the (1) provisions of state law, (2) the Association's Declaration, (3) Articles of Incorporation, and (3) these Bylaws shall prevail in that order.

ARTICLE II

MEETING OF MEMBERS

2.1 Annual Meetings. The Association's annual meeting of the Members shall be held each year at such place and time as the Board of Directors may designate. The purpose of the annual meeting shall be for electing a board of directors, updating the members of previous and future community plans, making decisions regarding the association, and for any other association affairs that may come up. Notices of meetings shall be mailed to all Members of the Association at least three (3) days before the meeting.

2.2 Special Meetings. Special meetings of the Members may be called by the President, the Board of Directors, or written request of the majority of Members of the Association, at any time. The purpose of the meeting shall be stated in the call to the meeting and at least three (3) days written notice shall be given.

2.3 Eligibility to Vote. All Members must be current and in good standing with the Association to be entitled to (1) vote, (2) hold elective or appointive office, and (3) serve on committees as may be established. The Association shall have two (2) classes of voting membership, denominated "Class A" and "Class B".

- a. Class A: Each owner of a Lot, with exception of the Declarant (as defined in the Declaration), shall be a Class A Member and shall be entitled to one (1) Class A

vote per Lot. Where such owner is a group or entity other than one individual person, the vote on behalf of such owner shall be exercised by such individual person as shall be designated in proxy instrument duly executed by or on behalf of such group or entity and delivered to the secretary of the Association.

- b. Class B: The Declarant shall be the sole Class B Member and shall be entitled to fifteen (15) votes for each Lot owned; provided, however, in no event shall the Class B Member have less than the total number of Class A votes plus one (1). The Class B Membership shall cease and be converted to Class A Membership upon the expiration of the Development Period (defined in the Declaration), which is the date that the Declarant no longer retains the right to appoint and remove members of the Board and officers of the Association as dictated by the Declaration of the Association.

2.4 Quorum. The presence of at the meeting of Members, or proxies, entitled to cast at least 10% of all the votes of the Members, without regard to class, shall constitute a quorum.

2.5 Order of Business. At meetings of the Board of Directors, business will be transacted in the order as the Board of Directors may determine from time to time. The President will preside at all meetings of the Board of Directors. In the absence or inability to act of the President, the Treasurer or any other officer will conduct the meeting. The Secretary will prepare minutes of the meeting unless the Board of Directors appoints an Assistant Secretary of the meeting. The regular minutes of the proceedings must be placed in the minute book of the Association.

2.6 Proxies. Members of the Association may vote in person or by proxy in all meetings of Members except board elections. Every proxy shall be in writing, signed by the Member or his attorney-in-fact, and filed with the association secretary before the scheduled meeting. No proxy shall be effective for a period longer than 11 months at any one (1) time unless earlier revoked by the Member, except as otherwise provided by law.

2.7 Telephone and Similar Meeting. Owners, directors, or committee members may participate in and hold meetings without notice by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can speak to and hear each other. The right of the Board of Directors to hold such meetings without notice by conference telephone shall only apply to the following: (a) routine or administrative matters; or (b) an action is necessary to address an urgent or emergency situation that requires immediate action. The right of the Board of Directors to hold such meetings without notice by conference telephone specifically does not apply to the following matters: (a) fines; (b) damage assessments; (c) initiation of foreclosure actions or enforcement actions; (d) increases in assessments; (e) levying special assessments; (f) appeals from denials of architectural control approval; or (g) suspending rights of an Owner before the Owner has an opportunity to appear before the Board of Directors. Any meeting held without notice must be summarized orally, including any actual or estimated expenditures approved, and documented in the minutes of the next regular or special meeting. Participation in the meeting will constitute presence in person at the meeting, except

where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

ARTICLE III

BOARD OF DIRECTORS

3.1 Composition. The Association's Board of Directors shall be composed of the elected officers. The total number of directors to constitute the entire board shall be not less than, three (3) and no more than five (5). As used in these Bylaws, "entire board" means the total number of directors which the Association would have if there were no vacancies.

3.2 Powers. The Board of Directors shall have all the powers and rights necessary to administer the Association's affairs and to perform the Association's responsibilities and to exercise its rights as set forth in these Bylaws, the Declaration and the Articles provided that such rights and powers are not inconsistent with the provisions of state laws and limited by the provisions of the Association's Declaration. In particular, but not limited to, the Board of Directors have the power to:

- a) manage, control and restrict the use of the Common Areas of the community and the conduct of the Association Members and their guests by adopting and publishing rules and regulations, and establishing a monetary penalties to enforce any lack of compliance.
- b) suspend a Member's voting rights and the right to use the Common Areas if a Member is in default of any assessment payment due and owing to the Association, or for lack of compliance with the Association's published rules and regulations;
- c) exercise all powers and duties not reserved to the Membership and authorized by these Bylaws, Articles of Incorporation or the Declaration;
- d) create a vacancy of the office of a Member of the Board of Directors in the event of a Board Member's three (3) consecutive unexcused absences to the regular meetings of the Board of Directors; and
- e) employ and supervise managers, attorneys, independent contractors, or such other employees as the Board of Directors may deem necessary to perform its functions.

3.3 Duties. It shall be the Board of Directors' responsibility to:

A. Maintain a complete and detailed record of all the Association's transactions and acts and furnish said records to the Members when such records are requested in writing by Members who are entitled to vote;

B. supervise the Association's officers, employees, and volunteers to ensure proper and ethical performance of the assigned duties;

C. As for fully provided in the Declaration, to:

1. impose the contractual maintenance and other assessments against each Lot/Unit;
2. send written notice of each assessment to all Members of the Association;
3. issue, or to cause an appropriate officer to issue, upon demand by a Member disclosure packet pursuant to state law;
4. maintain adequate liability and hazard insurance on all property owned by the Association;
5. indemnify a past or present director, officer or committee Member of the Association to the extent such indemnity is required or permitted by state law, the Articles, the Declaration or these Bylaws;
6. cause the Common Areas to be maintained.

3.4 Compensation. No director or officer shall receive compensation for their services. However, the Board of Directors may be reimbursed for actual expenses incurred in the performance of their duties.

3.5 Removal of Directors. Any or all of the directors may be removed for cause by vote of the Members or by action of the board. Directors may be removed without cause only by vote of the Members.

3.6 Resignation. A director may resign at any time by giving written notice to the Board of Directors and the resignation shall take effect upon receipt of said notice, unless stated otherwise.

ARTICLE IV

MEETING OF BOARD OF DIRECTORS

4.1 Regular Meeting. A regular meeting of the board shall be held no less frequently than once a quarter.

4.2 Special Meetings. Special meetings may be called by the president and shall be called upon the written request of one or more members of the Board of Directors. The purpose of the meeting shall be stated in the call and at least three (3) days written notice shall be given.

4.3 Quorum of Directors. A majority of the members of the entire board shall constitute a quorum.

4.4 Action of the Board. The act of the Board of Directors shall be valid, if the required quorum is present at the time of the vote, unless otherwise required by law. Each director present shall have one vote regardless of the number of lots/units, which he may own.

4.5 Notice of Meetings. Regular meetings of the board may be held without notice at such time and place, within the state of Texas, as it may from time to time determine.

4.6 Action Without A Meeting. An action that is required or permitted to be taken by the Board of Directors or the committee under these Bylaws, the Articles or the Declaration may be taken without a meeting, only if the action is approved in writing and a resolution is adopted authorizing the action. The written consents and resolution shall be filed with the minutes of the proceedings and Association's records.

ARTICLE V

OFFICERS AND THEIR DUTIES

5.1 Officers. The officers of the Association shall be the president, a secretary and a treasurer.

5.2 Term of Office. Officers shall assume their duties at the close of the meeting at which they are elected. Officers shall serve for a term of one year or until their successors are elected.

5.3 Vacancy in Office. A vacancy in any office except President shall be filled by the Board of Directors.

5.4 Removal and Resignation. Any officer elected or appointed by the board may be removed by the board with or without cause. In any event of the death, resignation or removal of an officer, the board in its discretion may elect or appoint a successor to fill the unexpired term.

5.5 Duties. Officers shall perform the duties provided in this section and such other duties as are prescribed for the office in these Bylaws:

A. **President.** The president shall be the chief executive officer of the corporation and shall preside at all meetings of the Members and of the board to ensure that all orders and resolutions of the board are carried into effect.

B. **Secretary.** The Secretary shall:

1. during the absence or disability of the President, have all the powers and functions of the President and perform such duties as the board shall prescribe;
2. attend all meetings of the Association;
3. record all votes and minutes of all proceedings in a book to be kept for that purpose;
4. give or cause to be given notice of all meetings of Members and of special meetings of the board;
5. keep in safe custody the seal of the corporation and affix it to any instrument when authorized by the board;
6. be responsible for preparing and making available a list of Association Members entitled to vote, indicating the names and addresses at each membership meeting;

7. maintain all the Association documents and records in a proper and safe manner as required by state law; and
8. perform such other duties as may be prescribed by the board.

D. Treasurer. The Treasurer shall:

1. have the custody of the Association funds and securities;
2. maintain complete and accurate accounts of receipts and disbursements in the Association books;
3. deposit all money and other valuables in the name and to the credit of the Association in such depositories as may be designated by the board;
4. disburse the funds of the Association as may be ordered or authorized by the board and preserve proper vouchers for such disbursements;
5. Prepare, or cause to be prepared, the annual benefit report;
6. render to the President and board at the regular meetings of the board, or whenever they require it, an account of all his transactions as Treasurer and of the financial condition of the Association;
7. render a full financial report at the annual meeting of the Members if so requested;
8. be furnished by all Association officers and agents at his request, with such reports and statements as he may require as to all financial transactions of the Association; and
9. perform such other duties as are given to him by these Bylaws or as from time to time are assigned to him by the board or the President.

5.6 Elections. The officers shall be elected at the annual meeting.

ARTICLE VI

COMMITTEES

The Board of Directors may designate from among its members an executive committee and other committees, by resolution adopted by a majority of the entire board. Each such committee shall serve at the pleasure of the board.

ARTICLE VII

INDEMNIFICATION

7.1 Mandatory Indemnification; Directors or Officers Successful in Defense. The Association must indemnify any person or the estate of any deceased person (such person or estate of any deceased person being hereafter throughout this Article Seven referred to as "Person") who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administration, arbitrative, or investigative (hereafter throughout this Article Seven collectively referred to as "Proceeding"), by reason of the fact that he is or was a director or officer of the Association, or is or was serving at the request of the

Association as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, trust, sole proprietorship, employee benefit plan or other enterprise (hereafter throughout this Article Seven collectively referred to as "Director") against expenses (including reasonable attorneys' fees) actually and reasonably incurred by him in connection therewith to the extent that he has been wholly successful on the merits or otherwise in defense of such Proceeding.

7.2 Indemnification; Whether Successful or Not in Defense.

- (a) The Association must indemnify any present or former director or officer of the Association (or the estate of such a person) who was or is a party or is threatened to be made a party to any Proceeding by reason of the fact that he is or was a Director, and the Association may indemnify any Person (other than a present or former director or officer of the Association (or the estate of such a person)) who was or is a party or is threatened to be made a party to any Proceeding by reason of the fact that he is or was a Director or employee or agent of the Association, against expenses (including reasonable attorneys' fees) actually and reasonably incurred by him, and against judgments, penalties (including excise and similar taxes), fines, and amounts paid in settlement by him in connection therewith if he acted in good faith and in a manner he reasonably believed, in the case of conduct in his official capacity, as defined in Texas Non-Profit Corporation Act ("TNPCA") Article 1396-2.22A.A.(4) ("Official Capacity"), to be in the best interests of the Association; or, in all other cases, to be not opposed to the best interests of the Association; and, with respect to any criminal Proceeding, if he had no reasonable cause to believe his conduct was unlawful; provided, however, that if he is found liable to the Association or is found liable on the basis that personal benefit was improperly received by him, the indemnification provided pursuant to this Section 7.2: (i) is limited to expenses actually and reasonable incurred by him in connection with the Proceeding; and (ii) may not be made in respect of any Proceeding in which he has been found liable for willful or intentional misconduct in the performance of his duties to the Association. The termination of any Proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, will not, of itself, create a presumption that the Person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association or, with respect to any criminal Proceeding, that he had reasonable cause to believe that his conduct was unlawful. A Person will be deemed to have been found liable in respect to any claim, issue or matter only after the Person has been so adjudged by a court of competent jurisdiction after exhaustion of all appeals.
- (b) Notwithstanding any other provisions of this Article, the corporation must indemnify any Person as to whom indemnification is mandatory under Sections 7.1 or 7.2(a) of this Article to the fullest extent then permitted by laws.

7.3 Indemnification Procedure. Any indemnification under Section 7.2 of this Article (unless ordered by a court or made pursuant to a determination by a court) may be made by the Association

only as authorized in the specific cause upon a determination that indemnification of the Person is proper under the circumstances because the Person has met the applicable standard of conduct set forth in Section 7.2. Such determination will be made:

- (a) By a majority vote of a quorum consisting of directors who at the time of the vote are not named defendants or respondents in the Proceeding;
- (b) If such quorum cannot be obtained, by a majority vote of a committee of the Board of Directors, 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; or
- (c) By special legal counsel selected by the Board of Directors or a committee of the Board by a vote as set forth in (a) or (b) immediately foregoing, or, if such a quorum cannot be obtained and such a committee cannot be established by a majority vote of all Directors.

7.4 Authorization of Payment.

- (a) Authorization of indemnification and determination as to reasonableness of expenses will be made in the same manner as the determination that indemnification is permissible, except that if special legal counsel makes the latter determination, authorization of indemnification and determination as to reasonableness of expenses must be made:
 - i. By a majority vote of a quorum consisting of directors who at the time of the vote are not named defendants or respondents in the Proceeding; or
 - ii. If such a quorum cannot be obtained, by a majority vote of a committee of the Board of Directors, 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; or,
 - iii. If such a committee cannot be established, by a majority vote of all directors.
- (b) Notwithstanding subsection (a) of this Section 7.4, payment of expenses actually and reasonably incurred by any Person as to whom indemnification is mandatory under Sections 7.1 or 7.2(a) of this Article will be deemed to be authorized provided that the standard of conduct necessary for indemnification under Section 7.2(a) of this Article is met.

7.5 Advancement of Expenses.

- (a) Expenses incurred in defending such Proceeding may be paid by the Association in advance of the final disposition of the Proceeding, without any of the authorizations or determinations specified in Section 7.3 and 7.4 of this Article, upon receipt of a written affirmation by the Person of his good faith belief that he has met the standard of conduct necessary for indemnification under applicable law and a written undertaking by or on behalf of the Person to repay such amount unless it ultimately is determined that he is entitled to be indemnified by the Association as

authorized in this section. The written undertaking must be an unlimited general obligation of the Person but need not be secured. It may be accepted without reference to financial ability to make payment.

- (b) Provided that the written affirmation and undertaking described in Section 7.2(a) are received by the Association from a Person to be paid or reimbursed for expenses incurred and as to whom indemnification is mandatory under Sections 7.1 or 7.2(a) of this Article, such payment or reimbursement will be deemed to be authorized.

7.6 Other Rights. The indemnification provided by these Bylaws may not be deemed exclusive of any other rights to which a Person seeking indemnification may be entitled under the Certificate of Formation, these Bylaws, a resolution of directors, an agreement or otherwise both as to action in his Official Capacity and as to action in any other capacity, and will continue as to such Person after the termination of such capacity and will inure to the benefit of his heirs, executors and administrators; provided, however, that any provision for the Association to indemnify or to advance expenses to a director, whether contained in the Certificate of Formation, these Bylaws, a resolution of directors, an agreement or otherwise, except in accordance with Section 7.7 of this Article, is valid only to the extent it is consistent with TNPCA Article 1396-2.22A, as limited by the Certificate of Formation, if such a limitation exists.

7.7 Insurance. The Association may purchase and maintain insurance on behalf of any Person by reason of the fact that he is or was serving at the request of the Association as a Director or employee or agent of the Association against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as a Person, whether or not the Association would have the power to indemnify him against such liability under TNPCA Article 1396-2.22A.

7.8 Other Arrangements. In addition to the powers described in Section 7.7, the Association may purchase, maintain or enter into other arrangements on behalf of any Person who is or was a director, officer or trustee of the Association against any liability asserted against him and incurred by him in such capacity or arising out of his status as such a Person, whether or not the Association would have the power to indemnify him against such liability under TNPCA Article 1396-2.22A. If the other arrangement is with a person or entity that is not regularly engaged in the business of providing insurance coverage, the arrangement may provide for payment of a liability, with respect to which the Association would not have the power to indemnify the Person. Without limiting the power of the Association to procure or maintain any kind of arrangement, the Association may, for the benefit of Persons described in this Section 8.8: (a) create a trust fund; (2) establish any form of self-insurance; (3) secure its indemnity obligation by grant of a security interest or other lien on the assets of the Association; or (4) establish a letter of credit, guarantee, or surety arrangement.

7.9 Other Provisions Applicable to Insurance and Other Arrangements. The insurance may be procured, maintained, or established with an insurer, or the other arrangement may be procured, maintained or established within the Association or with any insurer or other person considered appropriate by the Board of Directors. In the absence of fraud, the judgment of the Board of Directors as to the terms and conditions of the insurance or other arrangement and the identity of the insurer or other person participating in an arrangement will be conclusive and the

insurance or other arrangement will not be voidable and will not subject the directors approving the insurance or other arrangement to liability, on any grounds, regardless of whether directors participating in the approval are beneficiaries of the insurance or other arrangement.

7.10 Severability. In the event that any part or portion of this Article is judicially determined to be invalid or unenforceable, such determination will not in any way affect the remaining portions of this Article, but the same will be divisible and the remainder will continue in full force and effect. Notwithstanding any provision of this Article to the contrary, the Association shall not indemnify any person described in this Article if such indemnification: (1) would jeopardize the corporation's tax-exempt status under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or any successor statute (the "IRC"); or (2) if the Association is determined to be a private foundation for federal income tax purposes, would cause the imposition of the federal excise tax for self-dealing under Section 4941 of the IRC or for making a taxable expenditure under Section 4945 of the IRC.

7.11 Appearance as a Witness or Otherwise. Notwithstanding any other provision of this Article, the Association may pay or reimburse expenses incurred by a director, officer, or other person in connection with his appearance as a witness or other participation in a Proceeding at a time when he is not a named defendant or respondent in the Proceeding.

ARTICLE VIII

BOOKS AND RECORDS

The Association's books, records and documents shall at all times, during reasonable business hours, be subject to inspection by any Member at the principal office of the Association, where copies may be purchased at a reasonable cost. Furthermore, all outgoing officers, directors, employees or committee members must relinquish all official documents, records, and any materials and property of the Association in his or her possession or under his or her control to the newly elected members within ten (10) days after the election.

ARTICLE IX

AMENDMENTS

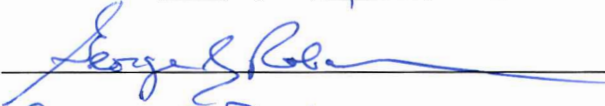
9.1 Amendment. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy.


9.2 Conflict. In the case of any conflict between these Bylaws and the Declaration, the Declaration shall control. If any conflict exists between the Articles and these Bylaws, the Articles shall control. The law shall always prevail.


9.3 Effective Date. Amendments to these Bylaws are effective upon their approval in the manner set forth above, unless a later effective date is specified therein.

9.4 Termination. The Association may be dissolved only as provided in the Articles of Incorporation. The Association shall be dissolved upon termination of the Declaration as provided therein. Upon a dissolution of the Association, obligations of the Association are deemed automatically assumed by the Owners, in addition to any direct obligations of the Owners may have to the Association pursuant to the Declaration.

IN WITNESS WHEREOF, we, being all of the Directors of the Association have hereunto set our hands this 14 day of April, 2022

By: 
Name: George J Robinson
Title: Director

By: 
Name: Keith W Kennedy
Title: Director

By: 
Name: Corey Ford
Title: Director

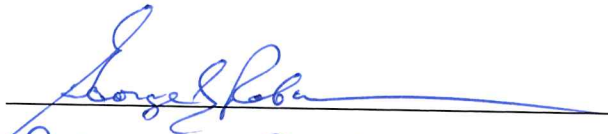
CERTIFICATION

I the undersigned, to hereby certify:

THAT I am the duly elected and acting President of WDL Homeowners Association Inc., a Texas corporation, and,

THAT the foregoing Bylaws constitute the original Bylaws of the Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 15 of March, 2022.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 14 of April, 2022.

By: 

Name: George J Robinson

Title: Acting President