

ADDITIONAL DEDICATORY INSTRUMENT

For

WALDEN ON LAKE CONROE COMMUNITY IMPROVEMENT ASSOCIATION

BEFORE ME, the undersigned authority, on this day personally appeared Trisha Taylor Farine who, being by me first duly sworn, states on oath the following:

My name is Trisha Taylor Farine I am over twenty-one (21) years of age, of sound mind, capable of making this affidavit, authorized to make this affidavit, and personally acquainted with the facts herein stated:

I am the Attorney/Agent for **WALDEN ON LAKE CONROE COMMUNITY IMPROVEMENT ASSOCIATION**, pursuant with Section 202.006 of the Texas Property Code, the following documents are copies of the original official documents from the Association's files:

- 1. **BYLAWS – Amended and Restated December, 2019**

OF

**WALDEN ON LAKE CONROE COMMUNITY ASSOCIATION, INC.
A TEXAS NON-PROFIT CORPORATION**

DATED this 20th day of February, 2020.

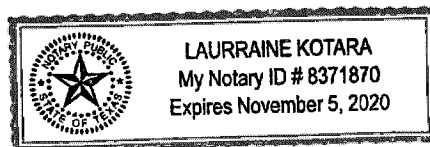
BY: Trisha Taylor Farine
Trisha Taylor Farine
Attorney/Agent

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

THIS INSTRUMENT was **acknowledged** before me on this the 20th day of February, 2020 by the said Trisha Taylor Farine, Attorney/Agent for **Walden on Lake Conroe Community Association** a Texas non-profit corporation, on behalf of said corporation.

Lauraine Kotara
NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

After Recording Return To:
Daughtry & Farine
17044 El Camino Real
Houston, Texas 77058
(281) 480-6888



**BYLAWS OF
WALDEN ON LAKE CONROE
COMMUNITY IMPROVEMENT ASSOCIATION
(Amended & Restated December, 2019)**

WHEREAS, the Bylaws of Walden on Lake Conroe Community Improvement Association (Revised July, 2012), are dated May 24, 2007 and were revised with First Amendment in July, 2012 (hereinafter "Bylaws");

WHEREAS, Article XV, Section 1 of the Bylaws provides that said document may be amended by the Board of Trustees; and

WHEREAS, at a duly noticed meeting of the Board of Trustees, the proposed Amended and Restated Bylaws were approved by a majority of the Board of Trustees;

NOW THEREFORE, the following Amended and Restated Bylaws of Walden on Lake Conroe Community Improvement Association does hereby completely replace any previously recorded Bylaws or amendments thereto.

**ARTICLE I
NAME AND LOCATION**

Section 1. The name of the Corporation is Walden on Lake Conroe Community Improvement Association, hereinafter referred to as the "Association," located at *13301 Walden Road, Montgomery, Texas 77356*.

Section 2. Meetings of Members and trustees may be held at such places either within or without the State of Texas, as may be designated and directed by the Board of Trustees.

**ARTICLE II
DEFINITIONS**

Section 1. "Architectural Control Committee" ("ACC") shall mean that standing committee appointed by the Board of Trustees and empowered to oversee and protect the general scheme and development of WALDEN ON LAKE CONROE for the benefit of all Members of the Association.

Section 2. "Association" shall mean and refer to Walden on Lake Conroe Community Improvement Association, a Texas Non-Profit Corporation, its successors and assigns.

Section 3. "Candidate Applicant" shall mean and refer to a Member of the Association, in Good Standing, who is standing for election to the position of a member of the Board of Trustees and has filed the appropriate candidate application containing the requisite candidate information and necessary signatures.

Section 4. "Corporation" shall mean and refer to Walden on Lake Conroe Community Improvement Association.

Section 5. “**Declarations**” shall mean and refer to the Declarations of Restriction for Walden, as may be amended, for all sections of Walden On Lake Conroe.

Section 6. “**Good Standing**” shall mean and refer to compliance with the Declarations and Restrictions for all sections of Walden On Lake Conroe, together with all policies and procedures adopted by the Board of Trustees.

Section 7. “**Lot**” shall mean and refer to a plot of land subject to the jurisdiction of the Association as is more fully specified in the said Declarations of Restrictions and recorded plats.

Section 8. “**Member**” shall mean and refer to those persons who are the Owners, as such term is defined in this article, of property which is subject to a maintenance charge assessed by the Walden On Lake Conroe Community Improvement Association, and are thus entitled to membership in the Association. The Association shall have only one class of voting membership.

Section 9. “**Owner**” shall mean and refer to the record owner of a fee, undivided fee interest or other fee estate, whether one or more persons or entities of any properties or portions thereof which are subject to a maintenance charge assessment by the Walden On Lake Conroe Community Improvement Association, but excluding those having such interest merely as security for the performance of any obligation and those having only an interest in the mineral estate.

Section 10. “**Properties**” or property shall mean and refer to that certain property and portions thereof, described in the Declarations of Restrictions for Walden On Lake Conroe Sections One, Two and Three, Subdivisions in Montgomery County, Texas, and any additional Sections or Reserves and portions thereof of Walden On Lake Conroe as may have been or may hereafter be platted into Subdivisions, condominiums, townhouse development, patio homes, residential lots, or similar residential divisions of real property known as Walden on Lake Conroe.

Section 11. The masculine and neuter pronouns used in this instrument shall include the masculine, feminine and neuter genders.

ARTICLE III **MEETINGS OF MEMBERS**

Section 1. **Annual Meetings.** The regular annual meeting of the Members of the Association shall be held at 10:00 a.m. on the fourth Saturday in January each year, or on such other day as designated by the Board of Trustees, at a place to be designated by the Board of Trustees.

Section 2. **Special Meetings.** Special meetings of the Members may be called by the Board of Trustees, or upon the written request of one-fourth (1/4) of all of the Members who are entitled to vote.

Section 3. **Notice of Meetings.** Written notice of each special meeting of the Members shall be given by, or at the direction of, the Secretary or any person or persons authorized to call a meeting, by mailing a copy of such notice, postage paid, at least ten (10) days, but not more than sixty (60) days before such meeting to each Member entitled to vote thereat, addressed to the Member’s address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of the notice. Such notice shall specify the place, day and hour of the meeting, and the purpose of the meeting.

Section 4. **Quorum.** The presence at the meeting of the Members in person or by proxy of one-tenth (1/10) of the total votes of all Members shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or by these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented. The proxy shall be used solely for the purposes of obtaining a quorum and for voting on matters at the Annual Members' Meeting other than the election of Trustees.

ARTICLE IV **BOARD OF TRUSTEES**

Section 1. **Board of Trustees.** The Board of Trustees shall consist of no more than seven (7) members. Any newly created Trustee positions must be elected by the membership.

Section 2. **Term of Office.** Each Trustee elected shall serve a three (3) year term that begins on the date of the Annual Members meeting. In the event of a vacancy, removal or resignation of a Trustee, the Board of Trustees shall have the power and authority, but not the duty, to appoint a replacement trustee to serve the remainder of the position's unexpired term.

Section 3. **Election.** Election of new Trustees to the Board of Trustees shall be made as provided In Article V.

Section 4. **Removal.**

- A. Removal by the Members - Any Trustee may be removed from the Board, with or without cause, by a majority vote of a quorum of the Members of the Association. A meeting to consider the removal of a Trustee may be called and noticed following procedures provided in these Bylaws. The notice calling such meeting shall give notice of the intention to act upon removing the Trustee.

- B. Automatic Removal - Further, a Trustee shall be automatically be removed without the necessity of holding a Members' meeting for any of the following reasons:
 - a. Any Trustee who is absent from three regular meetings of the Board of Trustees during a calendar year unless an absence is excused by the President;
 - b. Any Trustee who resigns, is deceased or becomes incapacitated; or
 - c. Any Trustee who does not meet the qualifications of either being a "Member", "Owner", or "Trustee", as those terms defined in these Bylaws.
 - d. Any Trustee who, in the sole determination of the remainder of the Board of Trustees, has violated any law or regulatory requirement, or has engaged in harassing or improper behavior toward Association employees, vendors or contractors.

Section 5. **Compensation.** No trustee shall receive compensation for any service he may render to the Association provided however, any trustee may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 6. Action Taken Without a Meeting. The trustees shall have the right to take any action in the absence of a meeting, which they could take at a meeting by obtaining the written approval of all of the trustees. Any action so approved shall have the same effect as though taken at a meeting of the trustees.

Section 7. Conflicts of Interest. The objective of this section is to prevent a trustee who has an interest in a business, either by ownership or employment, from benefiting or having the appearance of benefiting himself and/or his employer at the expense of Walden property owners. In the circumstance of litigation wherein one of the trustees is either a litigant against or an owner or employee of a litigant against the Association, the objective of this Section is to prevent that individual from participating in discussions or votes pertinent to that matter. Because it is difficult to identify and set forth all potential conflict of interest circumstances that might arise in the future, it is also the objective that this section be interpreted liberally in favor of preventing conflicts or potential conflicts of interest. In order to fulfill these objectives:

- e. No trustee shall participate in any vote regarding any business, transaction, deed restriction, Board of Trustees Policy, architectural control committee issue, existing contract or proposed contract that involves the trustee, his family, his employer, his principal or any company or entity in which the trustee has an ownership of ten percent (10%) or more. With regard to Association contracts, the trustee must strictly comply with Texas Property Code, Section 209.0052.
- f. Each trustee shall make full disclosure to the Board of Trustees of each and every reasonable material to any business, transaction, deed restriction, Board of Trustees Policy, architectural control committee issue, existing contract, or proposed contract that involves the trustee, his family, his employer, his principal or any company or entity in which the trustee has an ownership of ten percent (10%) or more involving the Association or matter before the Board of Trustees.
- g. Any such business, transaction deed restriction, architectural control committee issue, Board of Trustees Policy, existing contract, or proposed contract that involves the trustee, his family, his employer, his principal or any company or entity in which the trustee has ownership interest of ten percent (10%) or more shall be valid, if and only if; such matter is authorized or ratified in good faith by an affirmative vote of the disinterested trustees, even if the disinterested trustees are less than a quorum, after said disinterested trustees have been made aware of all material facts as to the interested trustee's relationship or interest.
- h. This prohibition against voting shall not preclude any trustee from participating in discussion by the Board of Trustees of adoption of any business, transaction, deed restriction, architectural control committee issue, Board of Trustee Policy, existing or proposed contract unless said discussion shall include discussion of any potential, pending or existing legal action by that trustee, his family, his employer, his principal or any company or entity in which the trustee has ownership interest of ten percent (10%) or more – in which case the conflicted or potentially conflicted trustee shall neither participate nor be present for the discussion of the issue, and also shall not vote.

ARTICLE V
ELECTION OF TRUSTEES

Section 1. Annual Elections. The Board of Trustees may elect to outsource the entire election process to an Independent organization at any time.

Section 2. Filing for Candidacy/Candidate Application. Any Member of the Association may obtain an application from the Association to stand as a candidate for the position of Trustee. The Association shall make such candidate applications available from the first business day on or after August 15. Such candidate application shall require the candidate's name, telephone number, street address, and street address of each properly owned in Walden.

Section 3. Filing Deadline. No candidate application shall be distributed by the Association prior to the first business day on or after August 15. Completed candidate applications must be sent to the Association as directed by the Association. No candidate application sent to the Association's office shall be accepted by the Association if received later than 5:00 p.m. on the stated deadline for return of applications. No candidate application shall be accepted by the Association without all of the requisite candidate information. Only the candidate applications provided by the Association shall be employed in the election process and no other candidate application shall be accepted by the Association.

Section 4. Campaigning, Forums, Political Signs. The Association shall arrange for two candidate applicant forums. One forum shall occur during the regular business week in the evening. The second forum shall occur on a Saturday. The Association shall determine the rules and protocol for each such forum, which shall include the length of each forum, the order of appearance, and the questions asked. The Association shall also designate several areas within the subdivision for the posting, exhibiting, and placing of campaign posters. Each candidate applicant may place, post, and exhibit any election or campaign posters only within the designated areas. In all respects, each candidate applicant shall observe and comply with the applicable Deed Restrictions related to signs as well as all established policies and procedures which have been adopted by the Association.

Section 5. Voting. The Association shall hold a general election for the Trustee positions annually on the first Saturday of each November.

- a. All voting shall be by written ballot, signed by the member. Voting may also be cast by electronic ballot in compliance with Texas Property Code Section 209.00592(d).
- b. In person voting shall occur at a location designated by the Board of Trustees. In the absence of a designation, in person voting shall take place at the Walden Administration Building, 13301 Walden Road.
- c. Members who are voting in person shall be required to identify themselves and shall be entitled to one (1) voter per property owned.
- d. Members may cast, in respect to each position, as many votes as they are entitled to cast under the provisions of the Declarations. Cumulative voting shall not be permitted. The persons receiving the largest number of votes shall be elected.
- e. The hours of in person voting on the general election day shall commence at 9:00 am U.S. Central Standard Time and close at 5:00 pm U.S. Central Standard Time.
- f. The Board of Trustees may approve an "In person early voting period" for a set duration and for specified hours.

- g. The Board of Trustees may approve any additional method of voting, so long as all Members are offered the same voting method choices. All ballots shall be in the form promulgated by the Association.
- h. Only those ballots received by the Association or their designated agent by the close of the poll on general election day shall count.

Section 6. Election and Assumption of Office. The candidate applicants receiving the most votes shall be elected to the open Trustee positions. In the event of a tie vote for a Trustee position, a coin will be tossed to determine the elected Trustee. Each candidate applicant elected to a Trustee position shall take office at the commencement of the Board of Trustee's meeting scheduled for the fourth Saturday in the following January.

Section 7. Lack of Candidate Applicants. If the number of candidate applicants at any election is less than the number of open positions to be filled by that election, the Board may decide, but is not required, to fill any positions remaining after the election at any subsequent Board meeting. Any vacancy so created will be filled by a candidate approved by the majority of the Trustees attending the meeting.

Section 8. Rules, Procedure, Policies. The Board of Trustees is empowered and authorized to make any and all rules, regulations, policies and procedures necessary to effectuate the election process.

Section 9. Dispute Resolution. The Board of Trustees as then constituted shall be the final arbiter of any and all questions, disputes, controversies arising as a result of any elections under this Article of the Bylaws. The said Board of Trustees shall resolve and determine all such matters and its resolution and determination shall be final, conclusive, and binding upon all Members and all candidate applicants.***

ARTICLE VI **MEETING OF TRUSTEES**

Section 1. Regular Meetings. Regular meetings of the Board of Trustees shall be held at least annually with notice, at such place and hour as may be fixed from time to time by resolution of the Board.

Section 2. Special Meetings. Special meetings of the Board of Trustees shall be held when called by the President of the Association. Notice to members is to be given as provided by the Texas Property Code Section 209.0051(c).

Section 3. Quorum. A majority of the Trustee members shall constitute a quorum for the transaction of business. Every act or decision performed or made by a majority of the Trustees present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Trustees.

Section 4. Meetings and Records. Meetings shall be conducted and records shall be maintained in accordance with the Texas Property Code and Texas Business Organizations Code. Regular and special board meetings must be open to members, subject to the right of the board to adjourn a board meeting and reconvene in closed executive session.

Section 5. Rules of Order. In order to facilitate the Board's due consideration of its business, meetings of the Board of Trustees shall be run in accord with general motions practice contained in Robert's Rules of Order (most recent edition), with the Board being considered a "small board" under those rules.

In cases of conflict between Robert's Rules and these Bylaws or any duly established policy of the Association, the latter will govern.

ARTICLE VII
POWERS AND DUTIES OF THE BOARD OF TRUSTEES

Section 1. **Powers.** The Board of Trustees, acting as a body, shall have power to:

- a. Suspend the right to the use of any facilities or services provided by the Association of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for infraction of published rules and regulations and for violation of the applicable deed restrictions;
- b. Exercise for the Association all powers, duties and authority vested in or designated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, the Declarations, and the Texas Non-Profit Corporation Act;
- c. Declare the office of a member of the Board of Trustees to be vacant in the event such member shall be in violation of Article IV, Section 4B herein;
- d. Employ a general manager who will have daily oversight of Association employees and operations (including the hiring and firing of employees and handling of personnel matters) as is deemed necessary, and to prescribe the duties and terms of employment of said general manager;
- e. Exercise for the Association all powers, duties and authority necessary in the operation and management of all properties and amenities owned by the Association;
- f. Exercise oversight of all programs, funds, property, and assets of the Corporation, including the power to sell, mortgage, lease and contract;
- g. Add to, change, modify, discontinue, alter, terminate any and all programs, amenities or facilities owned, managed or operated by the Corporation;
- h. Maintain the harmony and uniformity of the subdivision and to enforce the deed restrictions affecting all sections of Walden on Lake Conroe;
- i. Appoint, from time to time, select committee(s) for particular and specialized projects and activities, which committee(s) may consist of Members of the Corporation and Trustees but which committee(s) shall only provide recommendations and proposals but have no voting privileges on the Board of Trustees; and

Section 2. **Duties.** It shall be the duty of the Board of Trustees, acting as a body, to:

- a. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members;
- b. Set compensation and benefits for employees of the Association;
- c. To ensure that the general manager has the authority to hire, fire and manage Association operations, employees and personnel matters on a day to day basis;
- d. To fix the amount of the annual assessment against properties subject to the jurisdiction of the Association and to take such actions as it deems appropriate to collect such assessments and to enforce the liens given to secure payment thereof;

- e. Procure and maintain such liability, hazard insurance, or other insurance as the Board may deem appropriate on any property or facilities owned by the Association and on any employer, contractor or activity;
- f. Exercise, or cause to be exercised, such actions, policies, procedures, activities, or resolutions reasonably necessary to fulfill the powers granted in these Bylaws, the Articles of Incorporation, the applicable Deed Restrictions, and in the Texas Non-Profit Corporation Act; and
- g. Oversee and manage the annual election on Trustees as provided by Article V of these Bylaws.

ARTICLE VIII **OFFICERS AND THEIR DUTIES**

Section 1. **Enumeration of Officers.** The officers of this Association shall be a president, who shall be at all times a member of the Board of Trustees; a vice president; a secretary; and a treasurer, and such other officers as the Board may from time to time create by resolution.

Section 2. **Election of Officers.** The election of officers shall take place at the first meeting of the Board of Trustees following each annual meeting of the Members.

Section 3. **Term.** The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year, unless they shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

Section 4. **Special Appointments.** The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. **Resignation and Removal.** Any trustee or officer may be removed with or without cause by unanimous consent of the remainder of the Board. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. 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.

Section 6. **Vacancies.** A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. **Multiple Officers.** No person shall simultaneously hold more than one office except the office of Vice President, Secretary, Treasurer and/or special offices created pursuant to Section 4 of this Article.

Section 8. **Duties.** The duties of the officers of the Association are as follows:

PRESIDENT

- a. The President shall preside at all meetings of the Board of Trustees and of the Association; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall sign all checks and promissory notes. Authority for any other person to sign checks and promissory notes may be granted by the Board of Trustees.

VICE PRESIDENT

- b. The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act and shall exercise and discharge such other duties as may be required of him by the Board. Shall be authorized to sign checks.

SECRETARY

- c. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Trustees and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board of Trustees and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board. Shall be authorized to sign checks.

TREASURER

- d. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association, and shall disburse such funds as directed by resolution of the Board of Trustees; shall sign all checks and promissory notes of the Association; keep proper books of account; and keep accurate books and records of the fiscal affairs of the Association and to make the same available by inspection by Members of the Association during normal business hours. All duties of the Treasurer may be delegated to any other person by the Board of Trustees.

ARTICLE IX
COMMITTEES

The Board of Trustees shall appoint an Architectural Control Committee as provided in those Bylaws and the respective Restrictions affecting each Section of Walden On Lake Conroe. The Board of Trustees may also appoint other committees and task forces as deemed appropriate and necessary to carrying out the work of the Board and the business of the Corporation.

ARTICLE X
BOOKS AND RECORDS

The books, and records of the Association shall be made available according to Texas Property Code §209.005, any amendments thereto, and any policy adopted by the Association, at all times and during reasonable business hours be available to inspection by any Member. The Declarations, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI
ARCHITECTURAL CONTROL COMMITTEE

Section 1. **Designation of Committee.** The Association shall have an Architectural Control Committee (the "Committee") which shall consist of no fewer than three (3) Members who shall be natural persons, and who shall be appointed by the Board of Trustees of the Association. The Board of Trustees shall have the exclusive right and power at any time and from time to time to create and fill vacancies on the Committee. The Board's discretion in such matters shall be absolute and not subject to review.

Section 2. **Limitation of Liability.** Neither the Association, the Committee, nor any of the Members thereof shall be liable in damages or otherwise to anyone submitting plans and specifications for approval or to any Owner affected by the Deed Restrictions by reason of mistake of judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any plans or specifications.

ARTICLE XII
AMENDMENTS

Section 1. **Amendments.** 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 or by proxy or by the Board of Trustees.

Section 2. **Conflict.** In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declarations and these Bylaws, the Declarations shall control.

ARTICLE XIII
MISCELLANEOUS

Section 1. **Fiscal Year.** The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year.

Section 2. **Conflict.** These 2019 Amended and Restated Bylaws shall supersede and replace all preceding and prior Bylaws and amendments thereto.

Nothing herein is intended to alter, modify, or amend the Bylaws except as specifically provided hereinabove.

ARTICLE XIV
INDEMNIFICATION

Section 1. **Indemnification.** The Corporation shall indemnify any person who was, is or is threatened to be made a named defendant or respondent in a proceeding because the person is or was a trustee, General Manager, or Committee Member of one of the corporation's Committees or, while a trustee of the Corporation, is or was serving at the request of the Corporation as an officer of the Corporation or as a trustee, officer, partner, venture, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise only if it is determined in accordance with Section 5 below that the person:

- a. conducted himself in good faith;
- b. reasonably believed:
 1. in the case of conduct in an official capacity as a trustee of the Corporation, that such trustee's conduct was in the Corporation's best interests; and
 2. in all other cases, that such trustee's conduct was at least not opposed to the Corporation's best interest; and
 3. in the case of any criminal proceeding, had no reasonable cause to believe such trustee's conduct was unlawful.

The Corporation may indemnify any person who was, is or is threatened to be made a named defendant or respondent in a proceeding because the person is or was an officer, employee or agent of the Corporation to the same extent that it shall indemnify the trustees of the Corporation under this Section 1.

Section 2. **Limitations on Indemnity.** Except to the extent permitted by Section 4 below, no person shall be indemnified under Section 1 above in respect of a proceeding:

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

Section 3. When Person is Liable. The termination of a proceeding by judgment, order, settlement or conviction or on a plea of *nolo contendere* or its equivalent shall not be of itself determinative that the person did not meet the requirements set forth in Section 1 above. A person shall be deemed to have been found liable with respect of any claim, issue or matter only after the person shall have been so adjudged by a court of competent jurisdiction after exhaustion of all appeals therefrom.

Section 4. Indemnification Coverage. A person shall be indemnified under Section 1 above against judgments, penalties (including excise and similar taxes), fines, settlements and reasonable expenses actually incurred by the person in connection with the proceeding; but, if the person is found liable to the Corporation or is found liable on the basis that personal benefit was improperly received by the person, the indemnification (a) shall be limited to reasonable expenses actually incurred by the person in connection with the proceeding and (b) shall not be made in respect of any proceeding in which the person shall have been found liable for willful or intentional misconduct in the performance of such person's duty to the Corporation.

Section 5. Determination of Right to Indemnity. A determination of indemnification under Section 1 above shall be made:

- a. By a majority vote of a quorum consisting of trustees who at the time of the vote are not named defendants or respondents in the proceeding;
- b. If such a quorum cannot be obtained, by a majority vote of a committee of the Board of Trustees designated to act in the matter by the affirmative vote of a majority of the full Board of Trustees, consisting solely of two or more trustees 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 Trustees or a committee of the Board of Trustees by vote as set forth in Subsection (a) or (b) of this Section 5, or, if such a quorum cannot be obtained and such a committee cannot be established, by the affirmative vote of a majority of the full Board of Trustees.
- d. In the instance that 2/3 of the Trustees are unavailable to make the determination, the determination shall be made by a special committee of past presidents of the Board of Trustees available and willing to serve, of no fewer than three past presidents.

Section 6. Other Determinations. Authorization of indemnification and determination as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible. except that if the determination that indemnification is permissible is made by special legal counsel, authorization of indemnification and determination as to reasonableness of expenses shall be made in the manner specified by Section 5C above for the selection of special legal counsel.

Section 7. Expenses. Reasonable expenses incurred by a person who was, is or is threatened to be made a named defendant or respondent in a proceeding may be paid or reimbursed by the Corporation in advance of the final disposition of the proceeding and without the determination specified in Section 5 above or the authorization or determination specified in Section 6 above, after the Corporation receives a written affirmation by the person of his good faith belief that such person has met the standard of conduct necessary for indemnification under this Article and a written undertaking by or on behalf of the person to repay the amount paid or reimbursed if it is ultimately determined that he or she has not met that standard or if it is ultimately determined that indemnification of the person against expenses incurred by such person in connection with that proceeding is prohibited by Section 4 above.

Section 8. Modifications. The provisions of this Article shall be modified to the extent the Texas Non-Profit Corporation Act may be amended in the future, but in the case of such amendment, only to the extent such amendment permits the Corporation to provide broader indemnification rights than such Act permitted the Corporation to provide prior to such amendment.

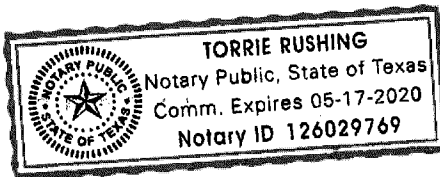
Section 9. Non-exclusive Rights. The right to indemnification and the advancement and payment of expenses conferred in this Article shall not be exclusive of any other right that a person indemnified pursuant to this Article may have or hereafter acquire under any law (common or statutory), provision of the Articles of Incorporation or these Bylaws, agreement, vote of disinterested trustees or otherwise.

Section 10. Interpretation. If this Article or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each trustee, and may indemnify any other person indemnified pursuant to this Article, as to costs, charges, expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any proceeding to the fullest extent permitted by an applicable portion of this Article that shall not have been invalidated and to the fullest extent permitted by applicable law.

IN WITNESS WHEREOF, these Amended and Restated Bylaws of the Corporation are hereby certified by the Board of Trustees of Walden On Lake Conroe Community Improvement Association, Inc. on this 19th day of December, 2019, as the true and correct Amended and Restated Bylaws of the Corporation.

EXECUTED EFFECTIVE the 19 day of December, 2019.

ATTEST:



**WALDEN ON LAKE CONROE
COMMUNITY IMPROVEMENT
ASSOCIATION, INC.**

B Smith
Barry Smith
Secretary

David E. Early
David Early
President

E-FILED FOR RECORD

02/21/2020 08:54AM



COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS,
COUNTY OF MONTGOMERY

I hereby certify that this instrument was e-filed in the file number sequence on the date and time stamped herein by me and was duly e-RECORDED in the Official Public Records of Montgomery County, Texas.

02/21/2020



County Clerk
Montgomery County, Texas