

**BYLAWS OF
RIVER MOUNTAIN RANCH -- WIMBERLEY
PROPERTY OWNERS ASSOCIATION**

These Bylaws govern the affairs of River Mountain Ranch – Wimberley Property Owners Association, a Texas nonprofit corporation (the “Association”).

**ARTICLE 1
GENERAL**

1.01 Principal Office. The Association’s principal office will be located in the Wimberley area and its mailing address is P.O. Box 182, Wimberley, Texas 78676.

1.02 Registered Office and Registered Agent. The Association will maintain a registered agent in Texas. The registered office may, but need not, be identical with the Association’s principal office. The board may change the registered office and the registered agent as permitted in the Texas Non-Profit Association Act.

1.03 Definitions. When used in these Bylaws, the following terms have the meaning set forth in this paragraph:

- (a) “Board,” “Director,” and “Board of Directors” means the members of the Board of Directors of the Association.
- (b) “Common Areas” means all real property owned by the Association for the common use and enjoyment of the members.
- (c) “Deed Restrictions” and “Restrictive Covenants” means the restrictive covenants for River Mountain Ranch recorded in: 0) Volume 1121/Page 822, Volume 1187/Page 451, Volume 1196/Page 360, and Volume 1213/Page 198 of the Official Public Records of Hays County, Texas, and (ii) any other properly approved, filed and recorded restriction or amendment governing property in River Mountain Ranch found in the Official Records of Hays County, Texas.
- (d) “Fee” means: (i) for “Regular Members,” as defined in Article 2.01 below, the assessment for the annual maintenance fund, (ii) for “Voluntary Members,” as defined in Article 2.01 below, the Fee set by the Board for membership in the Association, and (iii) for Regular Members and Voluntary Members, any special assessment approved at any meeting of the members.
- (e) “Member in good standing” means any member of the Association who is not delinquent in the payment of the Fee and whose membership rights are not suspended.
- (f) “River Mountain Ranch” and “Lot” means all of the lots specifically identified in those certain tracts of land described as:
 - (i) River Mountain Ranch, Section One (1), a subdivision in Hays County, Texas, according to the map or plat thereof recorded in Volume 7, pages 29-32, and amended in Volume 7, page 91, Hays County Official Public Records, Hays County Texas;
 - (ii) River Mountain Ranch, Section Two (2), a subdivision in Hays County, Texas, according to the map or plat thereof recorded in Volume 7, pages 53-55, Hays County Official Public Records, Hays County Texas;
 - (iii) River Mountain Ranch, Section Three (3), a subdivision in Hays County, Texas, according to the map or plat thereof recorded in Volume 7, page 139, Hays County Official Public Records, Hays County Texas;

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- (iv) River Mountain Ranch, Section Four (4), a subdivision in Hays County, Texas, according to the map or plat thereof recorded in Volume 7, page 217, Hays County Official Public Records, Hays County Texas;
 - (v) River Mountain Ranch, Section Five (5), a subdivision in Hays County, Texas, according to the map or plat thereof recorded in Volume 7, page 221, Hays County Official Public Records, Hays County Texas; and
 - (vi) River Mountain Ranch, Section Six (6), a subdivision in Hays County, Texas, according to the map or plat thereof recorded in Volume 8, page 207, Hays County Official Public Records, Hays County Texas.
 - (vii) any new sections of River Mountain Ranch according to the map or plat thereof recorded in the Hays County Official Public Records, Hays County Texas to which the Deed Restrictions are applicable.

ARTICLE 2 MEMBERS

2.01 Eligibility. Every person or entity who is a record owner of a fee simple title to any Lot in any named, numbered, and/or lettered section in River Mountain Ranch and every person or entity who is purchasing any Lot under a contract for sale or contract for deed in River Mountain Ranch, shall be eligible for membership in the Association ("Regular Member"). The Association shall be entitled to rely on the Hays County tax records in determining ownership. In addition, any person or entity who owns land adjacent to River Mountain Ranch and who desires to be a member of the Association ("Voluntary Member") can be a member of the Association upon written request to the Board, approval by the Board of such written request, and payment of the Fee set by the Board for Voluntary Members. The Board may limit the number of Voluntary Members.

2.02 Membership Fees. The Board may set and change the Fee payable to the Association by Regular Members and the Fee charged Voluntary Members, however, in no event, can the Fee for Voluntary Members be less than the Fee charged to Regular Members, including any special assessment. Until changed by the Board, the Fee for Regular Members is set at \$100 per annum per Lot and the Fee for Voluntary Members is \$100 per annum. The Fee is payable, in advance, on the first day of each year. Fees are delinquent if not paid by March 31st of that year. **FAILURE TO PAY THE FEE MAY RESULT IN A LEIN BEING PLACED ON YOUR PROPERTY.**

2.03 Membership Privileges. Each Regular Member in good standing is entitled to one vote per Lot on each matter submitted to a vote of the membership, provided that in case of subdivision of a Lot or joint ownership of any Lot by any members, only one vote on any issue shall be permitted per Lot as determined by the joint owner members of such Lot. Each Voluntary Member is entitled to one vote on each matter submitted to a vote of the membership. Only members in good standing are entitled to the use and enjoyment of all common areas, subject to such rules and regulations as may be placed on such use by the Board, and all other benefits and privileges of membership in the Association, including, without limitation the right to run for or hold office, or otherwise participate in the affairs of the Association.

2.04 Suspending or Termination of Membership Privileges. The Board, by affirmative vote of not less than two-thirds of the entire Board, may suspend the membership privileges of any member for cause. Cause for suspending membership rights include, but is not limited to, the failure to comply with the Deed Restrictions, Association's Bylaws, or any rules and regulations adopted by the Board, including those governing use of the Common Areas, or delinquency in the payment of the Fee. Except for delinquency in the payment of the Fee, no membership rights of any shall be suspended without a hearing with at least ten (10) days notice to the member. The membership rights of any member who has not paid the Fee by March 31st shall automatically be suspended without a hearing or notice. A member's privileges may be reinstated and the suspension lifted upon: (i) written request provided to the Association's Secretary, (ii) payment of all amounts owed, (iii) satisfactory showing of compliance with the Deed Restrictions, the Association's Bylaws, and any rules and regulations adopted by the Board, including those governing use of the Common Areas, and (iv) an affirmative vote of a majority of the

members of the Board. Suspension of membership privileges shall not relieve the member from payment of the Fee or any duties or obligations contained in the Deed Restrictions, the Association's Bylaws, and any rules and regulations adopted by the Board, including those governing use of the Common Areas. Notwithstanding anything herein to the contrary, the membership of Voluntary Members may be terminated by affirmative vote of two-thirds of the Board, with or without cause, on thirty (30) days notice to the Voluntary Members and refund to them of the appropriate pro-rata portion of the Fee.

2.05 Transferring Membership Membership in the Association may not be transferred or assigned except by Regular Members in the course of a transfer of the Lot to which the membership is attributable.

ARTICLE 3 MEETINGS OF MEMBERS

3.01 Scheduled and Annual Meetings. Members' meetings will be held at least two (2) times per year at such times and places in the Wimberley area as designated by the Board. An annual meeting of the members will be held as called by the Board in January of each year. The annual meeting may coincide with a scheduled meeting. At the annual meeting, the members may elect directors and transact any other business that is properly brought before the meeting. If, in any year, the election of Directors has not been held before the day designated for the Annual Meeting, the Board will cause the election to be held as soon as possible thereafter.

3.02 Special Meetings. Special meetings of the members may be called by the President, any three members of the Board, or by petition signed by not less than fifty (50) members in good standing.

3.03 Place of Meeting. The Board may designate any place in the Wimberley area as the place of meeting called by the Board. Anyone calling a special meeting shall designate the place in the Wimberley area where the meeting will be held.

3.04 Notice of Meetings. No meeting will be called without notice. The notice will state the place, day, and time of the meeting, who called it, and the general purpose or purposes for which it is called. Notice will be given by or at the direction of the President or Secretary, or the officers or persons calling the meeting. Notice of any scheduled or annual meeting or of any special meeting may be given either in a newsletter published by the Association and mailed to its members at their last known address as shown on the corporate records or by any other manner permitted by law. Any such notice shall be published at least ten (10) but not more than thirty (30) days prior to the meeting.

3.05 Eligibility to Vote at Members' Meetings. A member in good standing is entitled to vote at a meeting of the members of the Association.

3.06 Quorum. Thirty-five Regular Members in good standing present in person or by proxy will constitute a quorum at a meeting of members. The members present at a duly called or held meeting at which a quorum is present may continue to transact business, even if enough members leave so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of members required for a quorum. If a quorum is not present at any time during a meeting, a majority of the members who are present may adjourn and reconvene the meeting once without further notice.

3.07 Actions of Membership. The membership will try to act by consensus. However, if a consensus is not available on a matter or proposal, the vote of a majority of voting members in good standing, present in person or by proxy and entitled to vote at a meeting at which a quorum is present, is enough to constitute the act of the membership except when law or the Bylaws require a greater number.

3.08 Proxies. In the manner set out in Article 12.03, a member in good standing entitled to vote at a meeting of members of the Association may vote by proxy, and shall be considered to be present by proxy. All proxies must be in writing, bear the signature of the member giving the proxy, must specify the date on which they are executed, and must be filed with the Secretary prior to the commencement of the meeting where it will be used. No proxy is valid after 180 days from the date of its execution. All proxies shall be revocable by the person who

granted it either orally or in writing, prior to the time it has been voted. No vote shall be invalidated by revocation of the proxy after a vote by the proxy has been cast.

3.09 Voting by Mail. The Board may authorize vote by mail, e-mail, facsimile, or in any other manner, on any matter that the members may vote on. In all cases regarding mail-in and electronic voting (i.e., e-mail and facsimile), the Board shall establish voting procedures and their decision on all such matters shall be final.

ARTICLE 4

BOARD OF DIRECTORS

4.01 Management of the Association. The business and affairs of the Association shall be controlled and managed by the Board of Directors to the extent authorized by law, the Articles of Incorporation and these Bylaws.

4.02 Number, Qualifications, and Tenure. The number of initial Directors will be seven (7). Directors shall be members in good standing of the Association. Each director will serve for a term of two (2) years or until his or her successor has been elected and qualified whichever is later. The terms of three (3) directors will expire at the initial annual meeting. Thereafter, the terms of three (3) directors shall commence at the annual meeting in odd numbered years and the terms of the remaining four (4) directors shall commence on the day of the annual meeting in even numbered years. A director may not serve more than five (5) consecutive terms. If, however, a director is appointed or elected to fill the unexpired term of a vacant Directorship, he/she may also serve for five (5) consecutive two-year terms if elected.

4.03 Nominations. The President shall appoint a nominating committee in September of each year. The nominating committee shall consist of three members, two of which shall be from the membership at large who are not Board members, and the chairman of which will be a Board member. The nominating committee shall be responsible for nominating candidates from the membership to serve as Directors. The nominating committee shall prepare a slate of nominees in time for annual membership meeting at which time additional candidates from the membership may be nominated from the floor with the proven consent of the nominees. The nominating committee, in its search for well-qualified candidates, will consider their personal availability, qualifications, and interest in community service. It will also give due consideration to representation of the various geographic areas of River Mountain Ranch. If voting for Directors is to be conducted by mail, instead of obtaining nominations from the floor at the annual meeting, the Board shall solicit nominations from the members in good standing. The Board shall seek such nominations by notice mailed to all members in good standing no less than twenty (20) days before the deadline set by the Board for receiving nominations from the members.

4.04 Elections. Election to the Board of Directors will be by written ballot. If voting for Directors is to be conducted by mail, the names of all nominees will appear on a ballot in a notice sent to the membership which will be mailed to all members no less than twenty (20) days before the annual meeting or special meeting called for the purpose of electing Directors. Each candidate may submit a brief biographical statement that shall be printed or included in the notice. The notice will include a list of all the candidates and shall identify which candidates were nominated by the members and which by the nominating committee. Members will be given until 48 hours before the meeting held for that purpose to return their ballots. At the meeting, tellers appointed by the President and who shall not be members of the Board, shall open the ballots, tally the votes, and announce the names of the elected Directors to serve for the ensuing term. The qualified members receiving the greatest number of votes shall be elected. If a tie occurs for the last place, only the nominees who are tied shall cast lots to determine who is elected.

4.05 Vacancies. Any vacancy in the Board and any Director position to be filled due to an increase in the number of Directors, including any increase in the number of Directors resulting from the adoption or amendment of these Bylaws, will be filled within 60 days by a person chosen by the affirmative vote of a majority of the remaining Directors, even if it is less than a quorum of the Board, or even if it is a sole remaining Director. A Director selected to fill a vacancy will serve for the unexpired term of his or her predecessor in office.

4.06 Annual Meeting. The annual meeting of the Board shall be held at a time and place to be determined by the Board in January of each year and may be held in conjunction with or immediately following the annual meeting of the members.

4.07 Regular Meetings. The Board may provide for regular Board meetings by resolution stating the time and place in the Wimberley area of such meetings. No notice of regular Board meetings is required other than a Board resolution stating the time and place of the meetings.

4.08 Special Meetings. Special Board meetings may be called by, or at the request of, the President or any three Directors. A person or persons authorized to call special meetings of the Board may fix any place in the Wimberley area as the place for holding a special meeting. The person or persons calling a special meeting will inform the Secretary of the Association of the information to be included in the notice of the meeting. The Secretary of the Association will give notice to the Directors as these Bylaws require.

4.09 Attendance and Agenda. The President shall set the agenda for the Board meetings. All Board meetings shall be open to attendance by any member in good standing. However, the Board, at its sole discretion, may hold closed executive sessions whenever it deems such action to be necessary and advisable. The persons who may appear and be heard at a Board meeting are: (i) any Director, (ii) the chairperson of any committee formed by the Board, (iii) any person appearing at the request of the President or Board for the purpose of providing professional advice or counsel; (iii) any member in good standing who requests permission to speak in writing at least 72 hours before the meeting, such request being made to the Secretary or President and clearly describing the matters to be addressed, and (iv) any person whose appearance is approved by at least three (3) members of the Board. At any meeting of the Board, the Board shall determine the business to be transacted, the order in which it shall be transacted, and the time devoted to such business, including reasonable limits on the amount of time any person may have the floor.

4.10 Notice. Written printed notice of any special meeting of the Board will be delivered to each Director not less than ten (10), nor more than thirty (30), days before the date of the meeting. The notice will state the place, day, and time of the meeting, who called it, and the purpose or purposes for which it is called.

4.11 Emergency Meetings. Emergency meetings may be held upon two hours' notice, which notice may be by telephone, e-mail, facsimile, personal contact, and/or telegram.

4.12 Quorum. A majority of the number of Directors then in office constitutes a quorum for transacting business at any Board meeting. The Directors present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough Directors leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of Directors required for a quorum. If a quorum is never present at any time during a meeting, a majority of the Directors present may adjourn and reconvene the meeting once without further notice.

4.13 Duties. Directors will discharge their duties, including any duties as committee members, in good faith, with ordinary care, and in a manner they reasonably believe to be in the Association's best interest. In this context, the term "ordinary care" means the care that ordinary prudent persons in similar positions would exercise under similar circumstances. In discharging any duty imposed or power conferred on Directors, Directors may, in good faith, rely on information, opinions, reports, or statements, including financial statements and other financial data concerning the Association or another person, that has been prepared or presented by a variety of persons, including officers and employees of the Association, or professional advisors or experts such as accountants or legal counsel. A director is not relying in good faith if he or she has knowledge relating to a matter in question that renders reliance unwarranted; however, Directors shall not be deemed to have the duties of trustees of a trust. Beginning no later than January, 2001, the Board shall adopt an annual budget.

4.14 Delegating Duties. Directors may select advisors and delegate duties and responsibilities to them. The Directors have no liability for actions taken or omitted by the advisors if the Board acts in good faith and with ordinary care in selecting the advisor. The Board may remove or replace the advisor at any time and without any cause whatsoever. The Board may not delegate any powers it does not have, nor may it delegate its power to enter into contracts or binding obligations without prior approval of the Board.

4.15 Actions of Board of Directors. The Board will try to act by consensus. However, if a consensus is not available, the vote of a majority of Directors present and voting at a meeting at which a quorum is present is

enough to constitute the act of the Board, unless the act of a greater number is required by law or by some other provision of these Bylaws. A director who is present at a meeting and abstains from a vote is not considered to be present and voting for the purpose of determining the Board's decision.

4.16 Proxies. A director may not vote by proxy at a Board meeting.

4.17 Compensation. Directors may not receive salaries for their services. The Board may adopt a resolution providing for reimbursing expenses incurred by Directors, Officers, or members in service to the Association.

4.18 Removal. The Board may vote to remove a director at any time, only for good cause. Good cause for removal of a director includes the unexcused failure to attend three consecutive Board meetings and failure to maintain status as a member in good standing. A meeting to consider removing a director may be called and noticed following the procedures provided in these Bylaws for a special meeting of the Board of Directors. The notice of the meeting will state that the issue of possibly removing the director will be on the agenda and the notice will state the proposed cause for removal. At the meeting, the director may present evidence of why he or she should not be removed and may be represented by an attorney at and before the meeting. A director may be removed by the affirmative vote of sixty-seven percent (67%) of the Board present at the meeting.

ARTICLE 5 OFFICERS

5.01 Officer Positions. The Association's officers will be a President, a Secretary, one or more Vice-Presidents, and a Treasurer, who must be members of the Board. The same person may hold any two or more offices, except for President and Secretary.

5.02 Election and Term of Office. The Association's officers will be elected by secret ballot by the Board at the annual Board meeting. If officers are not elected at that time, they will be elected as soon thereafter as possible. Officers shall serve one-year terms. Each officer will hold office until a successor is duly selected and qualifies. An officer may be elected to succeed himself or herself in the same office, except that no person shall serve as President for more than two consecutive terms.

5.03 Removal. Any officer elected by the Board may be removed by the Board with or without cause.

5.04 Vacancies. The Board may elect a Board member to fill a vacancy in any office for the unexpired portion of the officer's term.

5.05 President. The President is the Association's chief executive officer. He or she will supervise all of the Association's business and affairs and will preside at all meetings of the members and of the Board. The President may execute any deeds, mortgages, bonds, contracts, or other instruments that are authorized as provided in these Bylaws. However, the President may not execute instruments on the Association's behalf if this power is expressly delegated to another officer or agent of the Association by the Board, these Bylaws, or statute. The President will perform other duties prescribed by the Board and all duties incident to the office of President.

5.06 Vice-President(s). Each Vice-President shall have such powers and duties as may be assigned to him or her by the Board of Directors and shall exercise the powers of the President during the President's absence or inability to act. When acting in the President's place, the Vice-President has all the powers of, and is subject to all the restrictions on, the President.

5.07 Treasurer. The Treasurer will:

- (a) Have charge and custody of, and be responsible for, all the Association's funds and securities;
- (b) Receive and give receipts for moneys due and payable to the Association from any source;

- (c) Deposit all moneys in the Association's name in banks, trust companies, or other depositories, as these Bylaws provide or as the Board or President directs;
- (d) Write checks and disburse funds to discharge the Association's obligations; however, the Board may, from time to time, set a limit over which funds may not be drawn from the Association or its accounts without the approval of the Board and signature of the president, a vice president, the secretary, or any Board member, in addition to that of the treasurer.
- (e) Maintain the Association's financial books and records;
- (f) Prepare financial reports to be presented at each regularly scheduled Board and membership meeting;
- (g) Perform other duties as assigned by the President of the Board;
- (h) Perform all of the duties incident to the office of Treasurer.

5.08 Secretary. The Secretary will:

- (a) Give all notices as provided in the Bylaws or as required by law;
- (b) Take minutes of the meetings of the members and the Board and keep the minutes as part of the corporate records and present these minutes to the Board for approval, on a timely basis;
- (c) Maintain custody of the corporate records and seal, if any;
- (d) Affix the corporate seal, if any, to all documents as authorized;
- (e) Keep a register of the mailing address of each member, director, officer, and employee of the Association;
- (f) Perform duties as assigned by the President or the Board; and
- (g) Perform all duties incident to the office of Secretary.

**ARTICLE 6
COMMITTEES**

6.01 Establishing Committees. The Board may adopt a resolution establishing one or more committees, having not less than three members, delegating specified authority to a committee, and appointing or removing members of the committee. A committee may include persons who are not Directors or members. If the Board delegates any of its management authority to a committee, the majority of the committee will consist of Directors. The Board may also delegate to the President its powers to appoint and remove members of a committee that has not been delegated any management authority of the Board. The Board may establish qualifications for membership on a committee. Establishing a committee or delegating authority to it will not relieve the Board, or any individual director, of any responsibility imposed by these Bylaws or otherwise imposed by law. No committee has the authority of the Board to:

- (a) Amend the articles of incorporation;
- (b) Adopt a plan or merger or consolidation with another corporation;
- (c) Authorize the sale, lease, exchange, or mortgage of all or substantially all of the Association's property and assets;
- (d) Authorize voluntary dissolution of the Association;
- (e) Revoke proceedings for voluntary dissolution of the Association;
- (f) Adopt a plan for distributing the Association's assets;
- (g) Amend, alter, or repeal these Bylaws;
- (h) Elect, appoint, or remove a member of a committee or a director or officer of the Association;
- (i) Approve any transaction to which the Association is a party and that involves a potential conflict of interest;
- (j) Take any action outside the scope of authority delegated to it by the Board;
- (k) Obligate the Association through contract or binding agreement to incur other expenses for the Association without prior approval of the Board at a regular or special Board meeting where approval was recorded by the Secretary; or
- (l) Take any action that the Board itself does not have the power to take.

6.02 Architectural Control Committee. Each year, the Board shall appoint a committee to be known as the Architectural Control Committee ("ACC"). The ACC will consist initially of three [3] persons each of whom will be members in good standing and at least two (2) of whom will be Board members. On the resignation or termination for any reason of one of the ACC members, the Board will promptly appoint a replacement and until such appointment has been made, the remaining members will exercise the committee authority. The ACC will perform such duties as are consistent with the functions of the Architectural Control Committee provided for in the Deed Restrictions and such other duties as are from time to time assigned by the Board. No member of the Association, regardless of standing, will erect, place, or alter any structure, building fence, or driveway until the construction plans and specifications and a plan showing the location of the structures has been approved by the ACC as to quality of workmanship and location (site plan). The committee will grant its approval only in the event the proposed work complies with the Deed Restrictions and is generally consistent with the plan of development of River Mountain Ranch. Approval or disapproval of plans and specifications by the ACC shall be in writing and signed by a majority of the ACC members. In case of disapproval, the ACC will include a statement of the reasons for disapproval and will indicate in a general way the kind of plans and specifications which the ACC will approve for the subject property. In the event the ACC fails to approve or disapprove plans and specifications within thirty (30) days after receipt of a request to do so, approval will be deemed to have been given. However, notwithstanding anything herein to the contrary, all owners and members must comply with the Deed Restrictions regardless of whether or not the plans were approved within thirty (30) days.

6.03 Quorum. One-half of the number of committee members constitutes a quorum for transacting business at any meeting of the committee.

6.04 Proxies. A committee member may not vote by proxy at a committee meeting.

ARTICLE 7 TRANSACTIONS OF ASSOCIATION

7.01 Deposits. All the Association's funds will be deposited to the credit of the Association's banks, trust companies, or other depositories that the Board selects.

7.02 Gifts. The Board may accept, on the Association's behalf, any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Association.

7.03 Potential Conflicts of Interest. The Association may not make any loan to a director or officer of the Association. The Association may not borrow money from, or otherwise transact business with, a member, director, officer, or committee member of the Association unless the transaction is described fully in a legally binding instrument and is in the Association's best interests. The Association may not borrow money from, or otherwise transact business with, a member, director, officer, or committee member of the Association without full disclosure of all relevant facts and without the Board's approval, not including the vote of any person having a personal interest in the transaction.

ARTICLE 8 BOOKS AND RECORDS

8.01 Required Books and Records. The Association will keep correct and complete books and records of account. The books and records include:

- a) A file-endorsed copy of all documents filed with the Texas Secretary of State relating to the Association, including but not limited to the articles of incorporation and any articles of amendment, restated articles, articles of merger, articles of consolidation, and statement of change of registered office or registered agent;
- b) A copy of all Bylaws, including these Bylaws, and any amended versions or amendments to them;
- c) Minutes of the proceedings of the members, Board, and committees having any of the authority of the Board;

- d) A list of the names and addresses of the members, Directors, officers, and any committee members of the Association;
- e) A financial statement showing the Association's assets, liabilities, and net worth at the end of the three most recent fiscal years;
- f) A financial statement showing the Association's income and expenses for the three most recent fiscal years;
- g) All rulings, letters, and other documents relating to the Association's federal, state, and local tax status;
- h) The Association's federal, state, and local tax information or income-tax returns for each of the Association's three most recent tax years;
- i) An annual audit or review conducted by a qualified independent accountant;
- j) All records regarding legal or regulatory matters in which the Association is interested or is a party;
- k) A copy of all plans submitted to the Architectural Control Committee for approval and any written communications, notes from communications, etc. from the Architectural Control Committee.

8.02 Inspection and Copying. Any member, director, officer, or committee member of the Association may inspect and receive copies of all the corporate books and records required to be kept under the Bylaws. He or she may do so through his or her attorney or other duly authorized representative. The inspection must take place during normal business hours or at any other time agreed to by the Secretary. The Board may establish reasonable copying fees, which may cover the cost of materials and labor. The Association will provide requested copies of books or records as soon as reasonably practicable. Notwithstanding the foregoing, in the event of pending litigation or ongoing negotiations or other like matters of a sensitive nature where the Association could be prejudiced by publication of private information, the Board shall have a right to prohibit the inspection, receiving, dissemination, or reading of the records in question until all such matters are finally concluded.

ARTICLE 9 FISCAL YEAR

9.01 The Association's fiscal year will end on the last day in December in each year.

ARTICLE 10 INDEMNIFICATION

10.01 The Association shall indemnify its Directors, officers, employees, members, committee members, and agents to the fullest extent possible under the Texas Non-Profit Corporation Act as it is now enacted or may hereafter be amended. The Association may also purchase and maintain officers and directors insurance.

ARTICLE 11 NOTICES

11.01 Notice by Mail or Telegram. Any notice required or permitted by these Bylaws to be given to a director, officer, or member of the Association may be given by mail, e-mail, facsimile, or telegram. If mailed, a notice is deemed delivered when deposited in the mail addressed to the person at his or her address as it appears on the Association's records, with postage prepaid. If given by telegram, a notice is deemed delivered when accepted by the telegraph company and addressed to the person at his or her address as it appears on the Association's records. If notice is sent by e-mail or facsimile, notice is deemed delivered when sent went accompanied by verification of its successful transfer. The Association is entitled to rely on address information obtained from the Hays County Tax Records reflecting the ownership of each Lot in determining a member's address for the Association's records. A member may change the address in the Association's records by giving written notice of the change to the Secretary of the Association.

11.02 Signed Waiver of Notice. Whenever any notice is required by law or under the articles of incorporation or these Bylaws, a written waiver signed by the person entitled to receive such notice is considered the equivalent to giving the required notice. A waiver of notice is effective whether signed before or after the time stated in the notice being waived.

11.03 Waiving Notice by Attendance. A person's attendance at a meeting constitutes waiver of notice of the meeting unless the person attends for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

ARTICLE 12 SPECIAL PROCEDURES CONCERNING MEETINGS

12.01 Meeting by Telephone. The Board of Directors and any committee of the Association may hold a meeting by telephone conference call procedures. In all meetings held by telephone, matters must be arranged in such a manner that all persons participating in the meeting can hear each other, the notice of meeting by telephone conference must state the fact that the meeting will be held by telephone as well as all other matters required to be included in the notice, and a person's participating in a conference call meeting constitutes his or her presence at the meeting.

12.02 Decision Without Meeting. Any decision required or permitted to be made at a meeting of the Board or any committee of the Association may be made without a meeting. A decision without a meeting may be made if a written consent to the decision is signed by all the persons entitled to vote on the matter. The original signed consents will be placed in the Association minute book and kept with the corporate records.

12.03 Proxy Voting. A person authorized to exercise a proxy may not exercise the proxy unless it is delivered to the officer presiding at the meeting before the business of the meeting begins. The Secretary or other person taking the minutes of the meeting will record in the minutes the name of the person who executed the proxy and the name of the person authorized to exercise the proxy. If a person who has duly executed a proxy personally attends a meeting, the proxy will not be effective for that meeting. A proxy filed with the Secretary of the Association or other designated officer remains in force until the first of the following occurs:

- (a) An instrument revoking the proxy is delivered to the Secretary or designated officer;
- (b) The proxy authority expires under the proxy's terms; or
- (c) The proxy authority expires under the terms of these Bylaws.

If there is any conflict between this provision and Article 3.08, this provision controls.

ARTICLE 13 AMENDING BYLAWS

13.01 These Bylaws may be altered, amended, or repealed and replacement bylaws adopted, only by an affirmative vote of seventy-five percent (75%) of the membership. Notice of any proposed alterations, amendments, or repeal of existing bylaws and adoption of replacement bylaws, will be sent with the notice of the annual meeting.

ARTICLE 14 MISCELLANEOUS PROVISIONS

14.01 Legal Authorities Governing Construction of Bylaws. These Bylaws will be construed under Texas law. All references in these Bylaws to statutes, regulations, or other sources of legal authority will refer to the authorities cited, or their successors, as they may be amended from time to time.

14.02 Legal Construction. To the greatest extent possible, these Bylaws shall be construed to conform to all legal requirements for obtaining and maintaining all tax exemptions that may be available to nonprofit corporations. If any Bylaw provision is held invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability will not affect any other provision, and the Bylaws will be construed as if they had not included the invalid, illegal, or unenforceable provision.

14.03 Headings. The headings used in the Bylaws are for convenience and may not be considered in construing the Bylaws.

14.04 Number. All singular words include the plural and all plural words include the singular.

14.05 Seal. The Board of Directors may provide for a corporate seal.

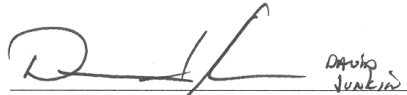
14.06 Power of Attorney. A person may execute any instrument related to the Association by means of a power of attorney if an original executed copy of the power of attorney is provided to the Secretary to be kept with the corporate records.

14.07 Parliamentary Procedure. Roberts Rules of Order, Revised Edition, shall govern this Association except as provided in these Bylaws, except, however, in matters pertaining to proxy voting. Nothing contained in Roberts Rules that attempts to proscribe or limit proxy voting shall have any force or effect on the affairs of the Association.

14.08 Parties Bound. The Bylaws will bind and inure to the benefit of the members, Directors, officers, committee members, employees, and agents of the Association and their respective heirs, executors, administrators, legal representatives, successors, and assigns except as the Bylaws otherwise provide.

I certify that I am the duly elected and acting President of River Mountain Ranch -- Wimberley Property Owners Association of Hays County, Texas, and that these Bylaws constitute the Association's Bylaws. These Bylaws were duly approved at meetings of the Directors held on April 13 and 18, 2000 and adopted by the property owners at a meeting of the owners held on May 27, 2000.

6/1/00
Dated


President, River Mountain Ranch -- Wimberley
Property Owners Association

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
On: Jun 02, 2000 at 03:53P

Document Number: 00012745

Amount 29.00

Lee Carlisle
County Clerk
By
Bobbie Coley, Deputy
Hays County