

BYLAWS
OF
DEED INCUMBRANCE COMMUNITY OF LAKEWAY
ESTATES HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

The name of the corporation is Deed Incumbrance Community of Lakeway Estates Homeowners Association, Inc. hereinafter referred to as the "Association". The principal office of the Association shall be located at 1921 Lohman's Crossing, Suite 100, Austin, Texas, 78734, but meetings of members and directors may be held at such places within the State of Texas as may be designated by the Board.

ARTICLE II
DEFINITIONS

Unless the context otherwise specifies or requires, the following words and phrases when used in these Bylaws shall have the meanings hereinafter specified:

Section 2.1. Certificate. "Certificate" shall mean the Certificate of Formation of Deed Incumbrance Community of Lakeway Estates Homeowners Association, Inc., which shall be filed in the office of the Secretary of State of the State of Texas, as the same may from time to time be amended.

Section 2.2. Assessment. "Assessment" or "Assessments" shall mean such sum levied by the Association in the manner and against the Property under the terms and provisions of the Declaration.

Section 2.3. Association. "Association" shall mean and refer to Deed Incumbrance Community of Lakeway Estates Homeowners Association, Inc., a Texas nonprofit corporation created or to be created pursuant to the Certificate of Formation, its successors and assigns.

Section 2.4. Association Property. "Association Property" shall mean all real or personal property now or hereafter owned by the Association, including without limitation, all easement estates, licenses, leasehold estates and other interests of any kind in and to real or personal property which are now or hereafter owned or held by the Association.

Section 2.5. Association Restrictions. "Association Restrictions" shall mean the Declaration as the same may be amended from time to time, together with the Design Guidelines, Certificate, Bylaws, and Association Rules from time to time in effect.

Section 2.6. Association Rules. "Association Rules" shall mean and refer to this Declaration, the Design Guidelines, any rules adopted by the Architectural Committee pursuant to

Section 5.07 below, any rules or regulations or policies adopted by the Board pursuant to Section 4.04(A) below, and the Certificate of Formation and Bylaws of the Association.

Section 2.7. Board. "Board" shall mean the Board of Directors of the Association.

Section 2.8. Bylaws. "Bylaws" shall mean this instrument to be adopted by the Board and as from time to time amended.

Section 2.9. Common Areas. "Common Areas" shall mean those areas of land, including any Improvements located thereon, owned by the Association for the common use and enjoyment of the Members or otherwise held by Declarant for the benefit of the Members, including but not limited to all parks, trail system, recreational facilities, community facilities, pumps, landscaping, mail kiosk, sprinkler systems, pavement or streets (to the extent not owned and maintained by appropriate governmental authorities), walkways, parking lots, pipes, wires, conduits and other public utility lines situated thereon (to the extent not owned by appropriate governmental authorities or utility providers). The Common Areas include those areas of land shown on any recorded Plat of the Property or its equivalent or any portion thereof filed or approved by Declarant and identified thereon as "Common Area", "Greenbelt", "Amenity Area", "Amenity Park", "Drainage Easement", "Park", "Water Easement", "Water Quality Easement", "Wastewater Easement", "Utility Easement", "Trail" or "HOA Park" (to the extent such areas are not owned, controlled, or maintained by any applicable government entity or utility provider in a manner that would be inconsistent with use of such areas by the Owners or the Association). Common Areas may be designated by Declarant from time to time and at any time.

Section 2.10. Common Properties. "Common Properties" shall mean that portion of the Property owned by the Association for the common use and enjoyment of the Members of the Association, including but not limited to all parks, recreational facilities, community facilities, pumps, landscaping, sprinkler systems, pavement, streets (to the extent not owned by appropriate governmental authorities), walkways, parking lots, pipes, wires, conduits and other public utility lines situated thereon (to the extent not owned by appropriate governmental authorities or by local utility companies). The Common Properties to be owned by the Association shall include (i) Common Areas and (ii) those areas of land deeded to the Association by Declarant.

Section 2.11. Declarant. "Declarant" shall mean Seven Custom Homes, Inc., a Texas Corporation, its duly authorized representatives or their respective successors or assigns; provided that any assignment of the rights of Seven Custom Homes, Inc., as Declarant must be expressly set forth in writing and the mere conveyance of a portion of the Property without written assignment of the rights of Declarant shall not be sufficient to constitute an assignment of the rights of Declarant hereunder. The exercise of any rights or privileges of Declarant and the performance of any obligations or duties on the part of the Declarant shall be vested solely in Seven Custom Homes, Inc.. All decisions and actions of the Declarant shall be made and taken as set forth herein.

Section 2.12. Declaration. "Declaration" shall mean the "Declaration of Covenants, Conditions and Restrictions for Lakeway Estates" recorded in the Official Public Records of Travis County, Texas, as the same may be amended from time to time.

Section 2.13. Lot. "'Lot" or "Lots" shall mean (i) any parcel or parcels of land within the Property shown as a subdivided lot on the Plat of Lakeway Estates, together with all Improvements located thereon, excluding, however, any Common Areas.

Section 2.14. Manager. "Manager" shall mean the person, firm, or corporation, if any, employed by the Association pursuant to the Declaration and delegated the duties, powers, or functions of the Association.

Section 2.15. Member. "Member" or "Members" shall mean any person(s), entity or entities holding membership rights in the Association as provided in the Declaration.

Section 2.16. Mortgage. "Mortgage" or "Mortgages" shall mean any mortgage(s) or deed(s) of trust covering any portion of the Property given to secure the payment of a debt.

Section 2.17. Mortgagee. "Mortgagee" or "Mortgagees" shall mean the holder or holders of any Mortgage or Mortgages.

Section 2.18. Owner. "Owner" or "Owners" shall mean the person(s), entity or entities, including Declarant, holding all or a portion of the fee simple interest in any Lot, but shall not include the Mortgagee under a Mortgage prior to its acquisition of fee simple interest in such Lot pursuant to foreclosure of the lien of its Mortgage.

Section 2.19. Property. "Property" shall mean and refer to that tract or parcel of land situated in Travis County, Texas which is more fully described in the Declaration.

ARTICLE III MEETING OF MEMBERS

Section 3.1. Annual Meetings. The Board is required to call an annual meeting of the Members of the Association. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter unless a different date is selected by the Board. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held on the first day following which is not a legal holiday. If the Board does not call the annual meeting of the Association, then a Member may demand a meeting be called not later than the 30th day after the date of the Member's demand. Any Member making such demand must comply with the requirements of Section 209.014 of the Texas Property Code in making the demand. If a meeting of the Association is not held by the 30th day after demand by a Member as set forth in this Section 3.1, then an election committee (the "Election Committee") of

three or more Members may be formed to call a meeting of the Association for the sole purpose of electing members of the Board. All actions of the Election Committee must be conducted in accordance with the provisions of Section 209.014 of the Texas Property Code.

Section 3.2. Special Meetings. Special meetings of the Members may be called at any time by the President or the Board, or upon written request of the Members who are entitled to vote fifty-one percent (51%) or more of the votes of the Association.

Section 3.3. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) and no more than sixty (60) days before such meeting to each Member entitled to vote at the meeting, 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 notice. Such notice shall specify the place, day, and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. Any meeting of the Members requiring a vote or election must comply with the notice requirements set forth in this Section 3.3.

Section 3.4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, twenty-five percent (25%) of the total votes of the membership shall constitute a quorum for any action, except as otherwise provided in the Certificate, the Declaration, or these Bylaws. If, however, such quorum is not present or represented at any meeting, the Members entitled to vote at the meeting shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented.

Section 3.5. Voting. At all meetings of Members, each Member may vote in person, by proxy, electronically or by absentee ballot. All votes that are not made in person shall be in writing, signed by the Member and filed with the Secretary. A proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot. Absentee or electronic votes must comply with the provisions of Section 209.00593 of the Texas Property Code.

Section 3.6. Voting Rights. The right to cast votes, and the number of votes which may be cast, for election of Members to the Board of the Association and on all other matters to be voted upon by the Members, shall be in accordance with Section 4.03 of the Declaration.

Section 3.7 Recounts. Any Owner may, not later than the fifteenth (15th) day after the date of the meeting at which the election was held, require a recount of the votes. The demand must be submitted in writing either; (a) by certified mail, return receipt requested, or by delivery by the U.S. Postal Service with signature confirmation service to the Association's mailing address as reflected on the latest management certificate; or (b) in person to the Association's managing agent as reflected on the latest management certificate or to the address to which absentee and proxy ballots are mailed. The Owner requesting the recount will be required to pay, in advance, expenses associated with the recount as estimated by the Association. Any recount must be performed on or

before the thirtieth (30th) day after the date of receipt of a request and payment for a recount is submitted to the Association for a vote tabulator as set forth below.

a. Vote Tabulator. At the expense of the Owner requesting the recount, the Association shall retain for the purpose of performing the recount, the services of a person qualified to tabulate votes. The Association shall enter into a contract for the services of a person who: (a) is not a Member of the Association or related to a Member of the Association Board within the third degree by consanguinity or affinity; and (b) is either a person agreed on by the Associations and any person requesting a recount or is a current or former county judge, county elections administrator, justice of the peace or county voter registrar.

b. Reimbursement for Recount Expenses. If the recount changes the results of the election the Association shall reimburse the requesting Owner for the cost of the recount to the extent such costs were previously paid by the Owner to the Association. The Association shall provide the results of the recount to each Owner who requested the recount.

c. Board Action. Any action taken by the Board in the period between the initial election vote tally and the completion of the recount is not affected by any recount.

ARTICLE IV

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 4.1. Control by Declarant. Notwithstanding anything to the contrary, Declarant, or its successors or assigns, shall have the absolute right to appoint members of the Board and their successors (any appointment of a successor will be deemed a removal of the Board member being replaced by such appointment) until the date Declarant no longer owns any portion of the Property or the Additional Land. Declarant, at its option, may assign or delegate, in whole or in part, its rights and powers to the Association, the Board or any other entity provided such designation is in writing. Notwithstanding the forgoing, at least one-third (1/3) of the Board members must be elected by the Owners (not including Declarant) no later than 120 days after seventy-five percent (75%) of the Lots that may be created and subjected to this Declaration are sold to purchasers other than Declarant. It is anticipated that up to 333 Lots may be created and subjected to this Declaration.

Section 4.2. Number. The affairs of this Association shall be managed by a Board of three (3) Directors until the first annual or subsequent meeting, at which time the number of members of the Board may be changed by resolution of the Directors; provided, however, the minimum number of Directors shall be three (3).

Section 4.3. Term of Office. At the first annual meeting the Members shall elect one (1) Director for a term of three (3) years, one (1) Director for a term of two (2) years, and one (1)

Director for a term of one (1) year; and at each annual meeting thereafter the Members shall elect each Director for a term of three (3) years.

Section 4.4. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation, or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve until the next annual meeting of the members.

Section 4.5. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 4.6. Action Taken Without a Meeting. The Directors 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 the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

Section 5.1. Nomination. Nomination for election to the Board shall be made from the floor at the annual meeting. Nominations may be made from among Members or nonmembers.

Section 5.2. Election. Election to the Board must be by written ballot, signed by the Member. In an Association-wide election, written and signed votes are not required for a non-contested race. Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 5.3. Eligibility for Board Membership. Except during any development period established in the Declaration, the Association may not restrict an Owner's right to run for a position on the Board, from re-election, nor limit the number of terms served. If, however, the Board is presented with tangible and documented evidence from a database or other record maintained by a governmental law enforcement authority that a Board Member has been convicted of a felony or crime involving moral turpitude, the Board Member is immediately ineligible to serve on the Board, automatically removed from the Board, and prohibited from future service on the Board.

ARTICLE VI MEETINGS OF DIRECTORS

Section 6.1. Regular Meetings. Regular meetings of the Board shall be held annually or such other frequency as determined by the Board at such place and hour as may be fixed from time

to time by resolution of the Board. Should the meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 6.2. Special Meetings. Special meetings of the Board shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days-notice to each Director.

Section 6.3. Open Meetings. All regular and special Board meetings must be open to Owners. However, the Board has the right to adjourn a meeting and reconvene in closed executive session to consider actions involving: (a) personnel; (b) pending or threatened litigation; (c) contract negotiations; (d) enforcement actions; (e) confidential communications with the Association's attorney; (t) matters involving the invasion of privacy of individual Owners, or matters that are to remain confidential by request of the affected parties and agreement of the Board. Following an executive session any decision made by the Board in executive session must be summarized orally in general terms and placed in the minutes, without breaching the privacy of individual Owners, violating any privilege, or disclosing information that was to remain confidential at the request of the affected parties. The oral summary must include a general explanation of expenditures approved in executive session.

Section 6.4. Notice of Board Meetings to Members. Members must be given notice of the date, hour, place, and general subject of a regular or special Board meeting, including a general description of any matter to be brought up for deliberation in executive session. The notice shall be: (a) mailed to each property Owner not later than the tenth (10th) day or earlier than the sixtieth (60th) day before the date of the meeting; or (b) provided at least seventy-two (72) hours before the start of the meeting by: (i) posting the notice in a conspicuous manner reasonably designed to provide notice to Members in a place located on the Association's Common Area or on any website maintained by the Association; and (ii) sending the notice by e-mail to each Owner who has registered an e-mail address with the Association. It is an Owner's duty to keep an updated email address registered with the Association. The Board may establish a procedure for registration of email addresses, which procedure may be required for the purpose of receiving notice of Board meetings. If the Board recesses a regular or special Board meeting to continue the following regular business day, the Board is not required to post notice of the continued meeting if the recess is taken in good faith and not to circumvent this section. If a regular or special Board meeting is continued to the following regular business day, and on that following day the Board continues the meeting to another day, the Board shall give notice of the continuation in at least one manner as set forth above within two (2) hours after adjourning the meeting being continued

Section 6.5. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII
POWERS AND DUTIES OF THE BOARD

Section 7.1. Powers. The Board shall have power to undertake any of the following actions to the extent and only to the extent that such actions are undertaken in furtherance of the sole purposes of the Association as set forth in the Certificate and the Declaration:

- (a) adopt and publish the Association Rules, including regulations governing the use of the Association Property and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) exercise for the Association all powers, duties and authority vested in or related to this Association and not reserved to the membership by other provisions of the Association Restrictions;
- (c) declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board;
- (d) employ such employees as they deem necessary, and to prescribe their duties;
- (e) as more fully provided in the Declaration, to:
 - (1) fix the amount of the Assessments against each Lot in advance of each annual assessment period and any other assessments provided by the Declaration; and
 - (2) foreclose the lien against any property for which Assessments are delinquent or to bring an action at law against the owner personally obligated to pay the same if the Board deems such action necessary;
- (f) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any Assessment has been paid and to levy a reasonable charge for the issuance of these certificates (it being understood that if a certificate states that an Assessment has been paid, such certificate shall be conclusive evidence of such payment);
- (g) procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (h) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and
- (i) exercise such other and further powers as provided in the Declaration.

Section 7.2. Duties. It shall be the duty of the Board 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, or at any special meeting when such statement is requested in writing by Members who are entitled to cast fifty-one percent (51%) of all outstanding votes; and

(b) supervise all officers, agents and employees of the Association, and to see that their duties are properly performed.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 8.1. Enumeration of Offices. The officers of this Association shall be a President, who shall at all times be a member of the Board, a Secretary and a Treasurer, and such other officers as the Board may from time to time create by resolution. The Board may appoint one or more vice presidents and such other officers and assistant officers as it deems necessary.

Section 8.2. Election of Officers. The election of officers shall take place at the first meeting of the Board following each annual meeting of the Members.

Section 8.3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year, unless he resigns sooner, or shall be removed, or otherwise disqualified to serve.

Section 8.4. 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 8.5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time 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 8.6. Vacancies. A vacancy in any office may be filled through appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 8.7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 8.4.

Section 8.8. Duties. The duties of the officers are as follows:

(a) President. The President shall preside at all meetings of the Board; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

(b) Vice President. The Vice President, if any, shall generally assist the President and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to him by the President or the Board.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board 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.

(d) Assistant Secretaries. Each Assistant Secretary, if any, shall generally assist the Secretary and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to him or her by the Secretary, the President, the Board or any committee established by the Board.

(e) Treasurer. The Treasurer, if any, 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; shall co-sign all checks and promissory notes of the Association; keep proper books of account in appropriate form such that they could be audited by a public accountant whenever ordered by the Board or the membership; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and deliver a copy of each to the Members. In the event no Treasurer is then serving, the President shall be empowered with the Treasurer's duties.

ARTICLE IX OTHER COMMITTEES OF THE BOARD OF DIRECTORS

The Board may, by resolution adopted by affirmative vote of a majority of the number of Directors fixed by these Bylaws, designate two or more Directors (with such alternates, if any, as may be deemed desirable) to constitute another committee or committees for any purpose; provided, that any such other committee or committees shall have and may exercise only the power of recommending action to the Board and of carrying out and implementing any instructions or any policies, plans, programs and rules theretofore approved, authorized and adopted by the Board.

ARTICLEX
BOOKS AND RECORDS

Section 10.1. Books and Records Inspection. The Association must make the books and records of the Association, including financial records, open and reasonably available for examination and copying by an Owner, or a person designated by the Owner in writing as the Owner's agent, attorney, or certified public accountant.

Except as provided herein, an attorney's files and records relating to the Association, other than invoices requested by an Owner, are not records of the Association and therefore not subject to inspection by the Owner or production in a legal proceeding. However, an attorney's copy of a document shall be produced if the Association is required to respond to a legally authorized request and the Association has not maintained a separate copy of the document. This does not include a document that constitutes attorney work product or that is privileged as an attorney-client communication.

Section 10.2. Books and Records Inspection Procedure. An Owner or the Owner's authorized representative must submit a written request for access or information by certified mail, with sufficient detail describing the Association's books and records requested, to the mailing address of the Association or authorized representative as reflected on the most current management certificate filed. The request must state whether the Owner wishes to inspect the books and records before obtaining copies, or to have the Association forward copies of the requested books and records. If an inspection is requested, the Association, on or before the 10th business day after the date the Association receives the request, will send written notice of dates when the Owner may inspect the requested books and records in the possession, custody, or control of the Association, or if copies of the identified books and records are requested, they will be provided on or before the 10th business day after the request is received.

If the Association is unable to produce the books or records requested on or before the 10th business day, the Association must provide written notice to the requestor stating the following:

(a) The Association is unable to produce the information on or before the 10th business day.

(b) The date the information will be sent or made available for inspection will be no later than the 15th business day after the date such notice is given.

The inspection will take place at a mutually agreed upon time during normal business hours, and the requesting party will identify the books and records for the Association to copy and deliver. The Association may provide the copies of books and records requested in hard copy, electronic, or other format reasonably available to the Association.

Other than information provided in the meeting minutes, the Association is not required to release or allow inspection of any books or records that identify the dedicatory instrument violation history of an individual Owner, an Owner's personal financial information - including records of payment of Association dues, an Owner's contact information other than the address, or information related to an employee of the Association, including personnel files. Information may be released in

an aggregate or summary manner that would not identify an individual property Owner. These books and records may be released or made available for inspection if:

- (a) The Owner gives written approval of the request to the Association.
- (b) A court orders the Association to do so.

Section I 0.3. Charges Associated with Books and Record Inspection Requests.

(a) The following charges apply to recovering the costs of materials associated with Books and Record Inspection Requests, and does not include additional charges, including labor, that may be related to a particular request.

	Audio cassette	\$1.00
2	Data cartridge	Actual
3	Digital video disc(DVD)	\$3.00
4	Diskette	\$1.00
5	JAZ drive	Actual
6	Magnetic tape	Actual
7	Non-rewritable CDE (CD-R)	\$1.00
8	Other electronic media	Actual
9	Oversize paper copy (such as 11 x 17, etc.)	50¢ per page
10	Rewritable CD (CD-RW)	\$1.00
11	Specialty paper (such as blueprints, renderings, photo paper, etc)	Actual
12	Standard paper copy	10¢ per page
13	Tape cartridge	Actual
14	VHS video cassette	\$2.50

(b) Programmer Charges. If a particular request requires the services of a programmer in order to execute an existing program, or to create a new program so that

requested information may be accessed and copied, the Association may charge for the programmer's time.

(1) The current hourly charge for a programmer is \$28.50 an hour. Only programming services shall be charged at this hourly rate.

(2) If the Association does not have in-house programming capabilities, the Association will comply with requests in accordance with §552.231 of the Texas Government Code.

(3) If the charge for providing a copy of public information includes costs of labor, the Association will comply with the requirements of §552.261(b) of the Texas Government Code.

(c) Labor Charges.

(1) The charge for labor costs incurred in processing an inspection request is \$15 an hour.

(2) A labor charge will not be billed with requests that are for 50 or fewer pages of paper records, unless the documents to be copied are located in:

(A) two or more separate buildings not physically connected with each other;

(B) a remote storage facility.

(3) A labor charge will not be recovered for any time spent by an attorney, legal assistant, or any other person who reviews the requested Information for the following purpose:

(A) to determine whether the Association will raise any exceptions to disclosure of the requested Information under the Texas Government Code, Subchapter C, Chapter 552; or

(B) to research or prepare a request for a ruling by the attorney general's office pursuant to §552.301 of the Texas Government Code.

(4) When confidential information pursuant to a mandatory exception of the Act is mixed with public information in the same page, a labor charge may be

recovered for time spent to obscure or remove confidential information in order to release the public information. There will be no labor charge for requests of 50 or fewer pages, unless the request also qualifies for a labor charge pursuant to Texas Government Code, §552.261(a)(1) or (2).

(5) If the charge for providing a copy of public information includes costs of labor, the Association will comply with the requirements of Texas Government Code, §552.261(b).

(6) For purposes of paragraph (2)(A) of this subsection, two buildings connected by a covered or open sidewalk, an elevated or underground passageway, or a similar facility, are not considered to be separate buildings.

(d) Overhead charge.

(1) Whenever any labor charge is applicable to a request, the Association may include direct and indirect costs in the charges, in addition to the specific labor charge. This overhead charge would cover such costs as depreciation of capital assets, rent, maintenance and repair, utilities, and administrative overhead. If the Association chooses to recover such costs, a charge shall be made in accordance with the methodology described in paragraph (3) of this subsection. Although an exact calculation of costs will vary, the use of a standard charge will avoid complication in calculating such costs and will provide uniformity for charges made statewide.

(2) There will be no overhead charges for copy requests entailing 50 or fewer pages of standard paper records, unless the request also qualifies for a labor charge pursuant to Texas Government Code, §552.261(a)(1) or (2).

(3) The overhead charge will be computed at 20% of the charge made to cover any labor costs associated with a particular request. Example: if one hour of labor is used for a particular request, the formula would be as follows: Labor charge for locating, compiling, and reproducing, \$15.00 x .20 = \$3.00;

(e) Microfiche and microfilm charge.

(1) If the Association already has information that exists on microfiche or microfilm and has copies available for sale or distribution, the charge for a copy must not exceed the cost of its reproduction. If no copies of the requested microfiche or microfilm are available and the information on the microfiche or microfilm can be released in its entirety, the Association should make a copy of the microfiche or microfilm. The charge for a copy shall not exceed the cost of its reproduction.

(2) If only a master copy of information in microfilm is maintained, the charge is \$.10 per page for standard size paper copies, plus any applicable labor and overhead charge for more than 50 copies.

(f) Remote document retrieval charge.

(1) Due to limited on-site capacity of storage documents, it is frequently necessary to store information that is not in current use in remote storage locations. Every effort should be made by the Association to store current records on-site. To the extent that the retrieval of documents results in a charge to comply it is permissible to recover costs of such services.

(2) If the Association has a contract with a commercial records storage facility, where the private company charges a fee to locate, retrieve, deliver, and return the needed record(s) to storage, no additional labor charge will be factored in for time spent locating documents at the storage location by the private company's personnel. If after delivery to the Association, the boxes must still be searched for records that are responsive to the request, a labor charge is allowed.

(g) Computer resource charge.

(1) The computer resource charge is a utilization charge for computers based on the amortized cost of acquisition, lease, operation, and maintenance of computer resources, which might include-, but is not limited to, some or all of the following: central processing units (CPUs), servers, disk drives, local area networks (LANs), printers, tape drives, other peripheral devices, communications devices, software, and system utilities.

(2) These computer resource charges are not intended to substitute for cost recovery methodologies or charges made for purposes other than responding to public information requests.

(3) The Association will determine which category(ies) of computer system(s) used to fulfill the public information request most closely fits its existing system(s), and set its charge accordingly. Mainframe--\$ 10 per CPU minute; Midsize--\$1.50 per CPU minute; Client/Server--\$2.20 per clock hour; PC or LAN--\$1.00 per clock hour.

(4) The charge made to recover the computer utilization cost is the actual time the computer takes to execute a particular program times the applicable rate.

The CPU charge is not meant to apply to programming or printing time; rather it is solely to recover costs associated with the actual time required by the computer to execute a program. This time, called CPU time, can be read directly from the CPU clock, and most frequently will be a matter of seconds. If programming is required to comply with a particular request, the appropriate charge that may be recovered for programming time is set forth in subsection (d) of this section. No charge should be made for computer print-out time.

(5) If the Association does not have in-house computer capabilities, the Association will comply with requests in accordance with the §552.23 of the Texas Government Code.

(h) Miscellaneous supplies.

The actual cost of miscellaneous supplies, such as labels, boxes, and other supplies used to produce the requested information, may be added to the total charge for public information.

(i) Postal and shipping charges.

The Association may add any related postal or shipping expenses which are necessary to transmit the reproduced information to the requesting party.

(j) Sales tax.

Pursuant to Office of the Comptroller of Public Accounts' rules sales tax will not be added to charges for public information (34 TAC, Part 1, Chapter 3, Subchapter 0, §3.341 and §3.342).

(k) Miscellaneous charges.

If the Association accepts payment by credit card for copies of public information and is charged a "transaction fee" by the credit card company, the Association may recover that fee from the requestor.

These charges are subject to periodic reevaluation and update.

If the estimated costs are lesser or greater than the actual costs, the Association will submit a final invoice to the Owner on or before the 30th business day after the date the information is delivered. If the final invoice includes additional amounts due from the Owner, the additional amounts, if not reimbursed to the Association before the 30th business day after the date the invoice is sent to the Owner, may be added to the Owner's account as an assessment. If the estimated costs were more than the final invoice amount, the Owner is entitled to a refund, and the refund shall be issued to the Owner not later than the 30th business day after the date the invoice is sent to the Owner.

Section 10.4. Document Retention.

The Association document retention policy includes the following requirements for books and records generated on or after February 4, 2021.

1.	Certificates of Formation, Bylaws, Restrictive Covenants, and all Amendments to the Certificates of Formation, Bylaws, and Covenants	Permanently
2.	Financial Books and Records	7 years
3.	Account Records of Current Owners	5 years
4.	Contracts with a Term of One Year or More	4 years after expiration
5.	Minutes of Meetings of the Owners and the Board	7 years
6.	Tax Returns and Audit Records	7 years

The Association must make all recorded governing documents available on the Association website if one exists, or on the website of a management company on behalf of the Association.

Section 10.5 Owner's Remedies. A member of the Association who is denied access to or copies of Association books or records to which the member is entitled, may file a petition requesting relief with the justice of the peace in a precinct in which all or part of the property is governed. If the justice of the peace finds that the member is entitled to access to or copies of the records, one or more of the following remedies may be granted:

- (a) a judgment ordering the Association to release or allow access to the books or records;

(b) a judgment against the Association for court costs and attorney's fees incurred in connection with seeking a remedy under this section; or

(c) a judgment authorizing the Owner or the Owner's assignee to deduct the amounts from future regular or special assessments payable to the Association.

If the Association prevails the Association is entitled to a judgment for court costs and attorney's fees.

Owner must provide written notice to the Association on or before the 10th business prior to bringing the action. The notice must be sent by certified mail, return receipt requested, or delivered by the United States Postal Service with signature confirmation service to the mailing address of the Association or authorized representative reflected on the most current management certificate. The notice must describe the books and records being requested with sufficient detail.

ARTICLE XII ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association Assessments which are secured by a continuing lien upon the property against which the Assessments are made. Assessments shall be due and payable in accordance with the Declaration. If any Assessment is not paid before becoming delinquent, the Owner responsible for the payment thereof may be required by the Board to pay a late charge at such rate as the Board may designate from time to time and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot or Lots owned by such owner, and all costs and reasonable attorney's fees of any such action shall be added to the amount of such Assessment. No Owner may waive or otherwise escape liability for the Assessments provided for herein by nonuse of the Association Property or abandonment of his Lot or Lots. Notwithstanding any provision herein to the contrary, the Association may only levy Assessments (Regular or Special) to defray costs which are incurred in furtherance of the purposes of the Association as set forth in the Declaration.

ARTICLE XIII CORPORATE SEAL

The Association may, but shall have no obligation to, have a seal in a form adopted by the Board.

ARTICLE XIV AMENDMENTS

Section 13.1. Power to Amend. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of all the Members of the Association provided that such

amendment has been approved by Members of the Association entitled to cast at least sixty-seven percent (67%) of the total number of votes of the Association.

Section 13.2. Conflict. In the case of any conflict between the Certificate and these Bylaws, the Certificate shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XV INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 14.1. Definitions. In this Article XV:

(a) "*Indemnatee*" means (i) any present or former director, advisory director or officer of the Association; (ii) any person who, while serving in any of the capacities referred to in clause (i) hereof, served at the Association's request as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan or other enterprise; and (iii) any person nominated or designated by (or pursuant to authority granted by) the Board or any committee thereof to serve in any of the capacities referred to in clauses (i) or (ii) hereof.

(b) "*Official Capacity*" means (i) when used with respect to a director, the office of director of the Association, and (ii) when used with respect to a person other than a director, the elective or appointive office of the Association held by such person or the employment or agency relationship undertaken by such person on behalf of the Association, but in each case does not include service for any other foreign or domestic corporation or any partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise.

(c) "*Proceeding*" means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitral or investigative, any appeal in such an action, suit or proceeding, and any inquiry or investigation that could lead to such an action, suit or proceeding.

Section 14.2. Indemnification. The Association shall indemnify every Indemnatee against all judgments, penalties (including excise and similar taxes), fines, amounts paid in settlement, and reasonable expenses actually incurred by the Indemnatee in connection with any Proceeding in which he was, is or is threatened to be named a defendant or respondent, or in which he was or is a witness without being named a defendant or respondent, by reason, in whole or in part, of his serving or having served, or having been nominated or designated to serve, in any of the capacities referred to in Section 14.1(a), if it is determined in accordance with Section 14.4 that the Indemnatee (i) conducted himself in good faith, (ii) reasonably believed, in the case of conduct in his Official Capacity, that his conduct was in the Association's best interests and, in all other cases, that his

conduct was at least not opposed to the Association's best interests, and (iii) in the case of any criminal Proceeding, had no reasonable cause to believe that his conduct was unlawful; provided, however, that in the event that an Indemnatee is found liable to the Association or is found liable on the basis that personal benefit was improperly received by the Indemnatee, the indemnification (a) is limited to reasonable expenses actually incurred by the Indemnatee in connection with the Proceeding and (b) shall not be made in respect of any Proceeding in which the Indemnatee shall have been found liable for willful or intentional misconduct in the performance of his duty to the Association. Except as provided in the immediately preceding proviso to the first sentence of this Section 14.2, no indemnification shall be made under this Section 14.2 in respect of any Proceeding in which such Indemnatee shall have been (a) found liable on the basis that personal benefit was improperly received by him, whether or not the benefit resulted from an action taken in the Indemnatee's official Capacity, or (b) found liable to the Association. The termination of any Proceeding by judgment, order, settlement or conviction, or on a plea of nolo contendere or its equivalent, is not of itself determinative that the Indemnatee did not meet the requirements set forth in clauses (i), (ii) or (ii) in the first sentence of this Section 14.2. An Indemnatee shall be deemed to have been found liable in respect of any claim, issue or matter only after the Indemnatee shall have been so adjudged by a court of competent jurisdiction after exhaustion of all appeals therefrom. Reasonable expenses shall include, without limitation, all court costs and all fees and disbursements of attorneys for the Indemnatee.

Section 14.3. Successful Defense. Without limitation of Section 14.2 and in addition to the indemnification provided for in Section 14.2, the Association shall indemnify every Indemnatee against reasonable expenses incurred by such person in connection with any Proceeding in which he is a witness or a named defendant or respondent because he served in any of the capacities referred to in Section 14.1 (a), if such person has been wholly successful, on the merits or otherwise, in defense of the Proceeding.

Section 14.4. Determinations. Any indemnification under Section 14.2 (unless ordered by a court of competent jurisdiction) shall be made by the Association only upon a determination that indemnification of the Indemnatee is proper in the circumstances because he has met the applicable standard of conduct. Such determination shall be made (i) by the Board by a majority vote of a quorum consisting of directors who, at the time of such vote, are not named defendants or respondents in the Proceeding; (ii) if such a quorum cannot be obtained, then by a majority vote of all directors (in which designation directors who are named defendants or respondents in the Proceeding may participate), such committee to consist solely of two (2) or more directors who, at the time of the committee vote, are not named defendants or respondents in the Proceeding; (iii) by special legal counsel selected by the Board or a committee thereof by vote as set forth in clauses (i) or (ii) of this Section 14.4 or, if the requisite quorum of all of the directors cannot be obtained therefor and such committee cannot be established, by a majority vote of all of the directors (in which directors who are named defendants or respondents in the Proceeding may participate); or (iv) by the Members in a vote that excludes the directors who are named defendants or respondents in the Proceeding. 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, determination as to reasonableness of expenses must be made in the manner specified in clause (iii) of the preceding sentence for the selection of special legal counsel. In the event a determination is made under this Section 14.4 that the Indemnitee has met the applicable standard of conduct as to some matters but not as to others, amounts to be indemnified may be reasonably prorated.

Section 14.5. Advancement of Expenses. Reasonable expenses (including court costs and attorney's fees) incurred by an Indemnitee who was or is a witness or who is or is threatened to be made a named defendant or respondent in a Proceeding shall be paid by the Association at reasonable intervals in advance of the final disposition of such Proceeding, and without making any of the determinations specified in Section 14.4, after receipt by the Association of (i) a written affirmation by such Indemnitee of his good faith belief that he has met the standard of conduct necessary for indemnification by the Association under this Article XV and (ii) a written undertaking by or on behalf of such Indemnitee to repay the amount paid or reimbursed by the Association if it shall ultimately be determined that he is not entitled to be indemnified by the Association as authorized in this Article XV. Such written undertaking shall be an unlimited obligation of the Indemnitee but need not be secured and it may be accepted without reference to financial ability to make repayment. Notwithstanding any other provision of this Article XV, the Association may pay or reimburse expenses incurred by an Indemnitee in connection with his appearance as a witness or other participation in a Proceeding at a time when he is not named a defendant or respondent in the Proceeding.

Section 14.6. Employee Benefit Plans. For purposes of this Article XV, the Association shall be deemed to have requested an Indemnitee to serve an employee benefit plan whenever the performance by him of his duties to the Association also imposes duties on or otherwise involves services by him to the plan or participants or beneficiaries of the plan. Excise taxes assessed on an Indemnitee with respect to an employee benefit plan pursuant to applicable law shall be deemed fines. Action taken or omitted by an Indemnitee with respect to an employee benefit plan in the performance of his duties for a purpose reasonably believed by him to be in the interest of the participants and beneficiaries of the plan shall be deemed to be for a purpose which is not opposed to the best interests of the Association.

Section 14.7. Other Indemnification and Insurance. The indemnification provided by this Article XIV shall (i) not be deemed exclusive of, or to preclude, any other rights to which those seeking indemnification may at any time be entitled under the Certificate, any law, agreement or vote of Members or disinterested directors, or otherwise, or under any policy or policies of insurance purchased and maintained by the Association on behalf of any Indemnitee, both as to action in his official Capacity and as to action in any other capacity, (ii) continue as to a person who has ceased to be in the capacity by reason of which he was an Indemnitee with respect to matters arising during the period he was in such capacity, and (iii) inure to the benefit of the heirs, executors, and administrators of such a person.

Section 14.8. Notice. Any indemnification of or advance of expenses to an Indemnitee in accordance with this Article shall be reported in writing to the Members with or before the notice or waiver of notice of the next meeting of the Members or with or before the next submission to the Members of a consent to action without a meeting and, in any case, within the twelve (12) month period immediately following the date of the indemnification or advance.

Section 14.9. Construction. The indemnification provided by this Article XV shall be subject to all valid and applicable laws, including, without limitation, the Texas Business Organizations Code, and, in the event this Article XV or any of the provisions hereof or the indemnification contemplated hereby are found to be inconsistent with or contrary to any such valid laws, the latter shall be deemed to control and this Article XV shall be regarded as modified accordingly, and, as so modified, to continue in full force and effect.

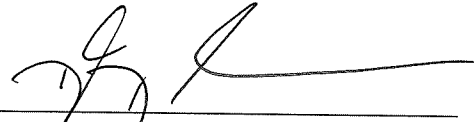
Section 14.10. Continuing Offer, Reliance, etc. The provisions of this Article XV (i) are for the benefit of, and may be enforced by, each Indemnitee of the Association the same as if set forth in their entirety in a written instrument duly executed and delivered by the Association and such Indemnitee, and (ii) constitute a continuing offer to all present and future Indemnitees. The Association, by its adoption of these Bylaws: (a) acknowledges and agrees that each Indemnitee of the Association has relied upon and will continue to rely upon the provisions of this Article XV in becoming, and serving in any of the capacities referred to in Section 14.1(a) hereof; (b) waives reliance upon, and all notices of acceptance of, such provisions by such Indemnitees; and (c) acknowledges and agrees that no present or future Indemnitee shall be prejudiced in his right to enforce the provisions of this Article XV in accordance with their terms by any act or failure to act on the part of the Association.

Section 14.11. Effect of Amendment. No amendment, modification or repeal of this Article XV or any provision hereof shall in any manner terminate, reduce or impair the right of any past, present or future Indemnitees to be indemnified by the Association, nor the obligation of the Association to indemnify any such Indemnitees, under and in accordance with the provisions of this Article XV as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

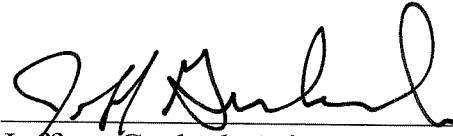
ARTICLE XVI MISCELLANEOUS

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, except that the first fiscal year shall begin on the date of incorporation.

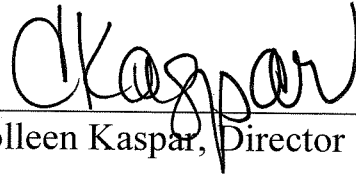
WITNESS WHEREOF, we, being all Directors of Lakeway Estates Homeowners Association, Inc. have hereunto set our hands this ____ day of February, 2021.



David Lyne, Director



Jeffrey Gerlach, Director



Colleen Kaspar, Director

After recording, please return to:

Seven Custom Homes
1921 Lohman's Crossing, Suite 100
Austin, Texas 78734

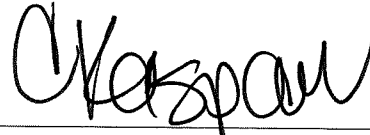
CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected Secretary of the Lakeway Estates Homeowners Association, Inc., a Texas nonprofit corporation, and

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board thereof, held on the 8th day of February, 2021.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 8th day of February 2012.

A handwritten signature in black ink, appearing to read "C. Kaspar", written over a horizontal line.

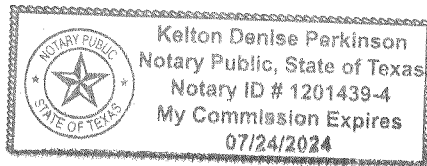
Colleen Kaspar, Secretary

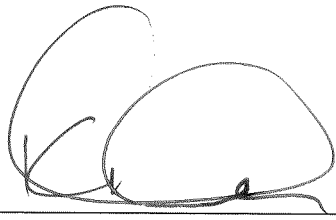
ACKNOWLEDGEMENT

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the 8th day of February 2021, by Colleen Kaspar, in the capacity of Secretary of Lakeway Estates Homeowners Association, Inc., a Texas corporation.

(seal)





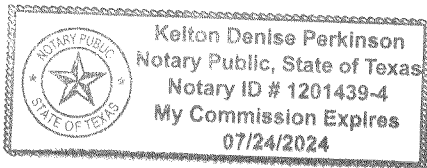
NOTARY PUBLIC
STATE OF TEXAS

ACKNOWLEDGEMENT

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the 8th day of February 2021, by David Lyne, in the capacity of Director of Lakeway Estates Homeowners Association, Inc., a Texas corporation.

(seal)



A handwritten signature in black ink, consisting of a large, stylized 'K' followed by a surname, written over a horizontal line.

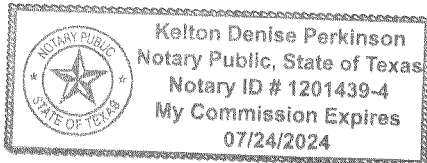
NOTARY PUBLIC
STATE OF TEXAS

ACKNOWLEDGEMENT

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the 8th day of February 2021, by Jeffrey Gerlach, in the capacity of Director of Lakeway Estates Homeowners Association, Inc., a Texas corporation.

(seal)





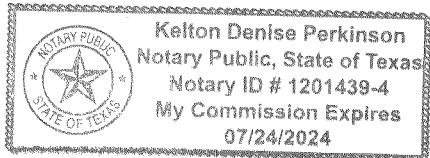
NOTARY PUBLIC
STATE OF TEXAS

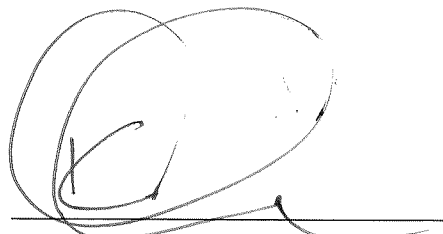
ACKNOWLEDGEMENT

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the 8th day of February, 2021, by Colleen Kaspar, in the capacity of Director of Lakeway Estates Homeowners Association, Inc., a Texas corporation.

(seal)





NOTARY PUBLIC
STATE OF TEXAS