

Southgate Property Owners Association

100 West Moore Road #91

Pharr, Texas 78577

“A Community of Friends 55 years of age and older”

THE SECOND RESTATED AND SUPERSEDING BYLAWS

Effective: January 4, 2019

ARTICLE I: NAME AND LOCATION

The name of the Non-Profit Corporation is SOUTHGATE PROPERTY OWNERS ASSOCIATION hereinafter referred to as the “SPOA” or the “Association”. The principal office of the corporation shall be located at 100 West Moore Road #91, Pharr, Texas, 78577, but meetings of Members and Directors may be held at a place within Hidalgo County in the State of Texas as may be designated by the Board of Directors.

ARTICLE II: BYLAWS PURPOSE

The purpose of the Second Restated and Superseding Bylaws is to protect the value and desirability of ownership of Lots and Residences in the Subdivision, and to maintain the Subdivision as an Adult Subdivision for persons fifty-five (55) years of age or older as allowed by the United States Fair Housing Act. The document shall also serve as a guideline for compliance with the Texas Non-Profit and Business Laws.

ARTICLE III: DEFINITIONS:

SECTION 3.1 “ASSOCIATION”

Shall mean and refer to the Southgate Property Owners Association, a Texas Non-Profit Corporation, doing business as Southgate Property Association (SPOA) and shall be responsible for managing the affairs of the subdivision.

SECTION 3.2 “OWNER”

Shall mean and refer to a person who holds record title to property in the Southgate Subdivision and includes the personal representative of a person who holds record title to that property.

SECTION 3.3 “PROPERTIES”

Shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions covering the Southgate Subdivision, Hidalgo County, Texas, and such additions to such Declaration as may hereafter be brought within the jurisdictions of the Association.

SECTION 3.4 “COMMON AREA”

Shall mean and refer to all real property and improvements thereon owned by the Association for the common use and enjoyment of the owners.

SECTION 3.5 “COMMON/RECREATION AREAS”

Shall mean and refer to the Lot #91 of Southgate Subdivision, walk-ways, utility easements, streets, parking spaces and all real property and improvements thereon owned by the SPOA or in common by the Owners of Lot in the Subdivision, for the common use and enjoyment of the Owners. The Recreation areas including but not limited to: the clubhouse, pool/spa, exercise room, tennis, shuffle board, pickle ball, and bocce courts.

SECTION 3.6 “LOT”

Shall mean and refer to any numbered lot or plot of land shown in any recorded subdivision map or plat of the Properties with the exception of the common area and Lot #91.

SECTION 3.7 “RECREATIONAL VEHICLE” or “RV”

Shall mean Motor Homes, 5th wheels, any travel trailers pulled by a tow vehicle, pick-ups with slide-in living quarters, vans with living facilities and fold down or slide-out units.

SECTION 3.8 “DECLARATION”

Shall mean an instrument filed in the real property records of a county that includes restrictive covenants governing a residential subdivision.

SECTION 3.9 “MEMBER”

Shall mean and refer to those persons entitled to membership as provided in the Declaration. All property Owners must be a Member of the SPOA.

SECTION 3.10 “VOTING MEMBER”

Shall mean and refer to an individual who has voting rights for any Association vote. One unified vote shall be cast per lot.

SECTION 3.11 "ASSESSMENT"

Shall mean and refer to regular assessments, special assessments, lot specific fees, or other amounts a property owner is required to pay the SPOA under the dedicatory instruments or by law.

ARTICLE IV: MEETINGS OF MEMBERS, NOTICE REQUIREMENTS, MEETING QUORUMS, AND PROXIES

SECTION 4.1 ANNUAL MEETINGS

A regular annual meeting of Members of the Association shall be held on the first Saturday of February of each year, at the hour of 9:30 A.M. The first order of business at the Annual Meeting (if a vote is scheduled) shall be the Election Chairperson's announcement to the SBOD President or the SBOD designee if a Member Quorum is present (includes Proxies).

SECTION 4.2 OPEN MEETINGS

Open Meetings of the Association Members may be called at any time by the President, by any Member of the Board of Directors, or upon written request by sixty-five (65%) of all Members who are entitled to vote by a signed petition.

SECTION 4.3 BUSINESS MEETINGS

Business Meetings of the Members of the Board are intended for the operational procedures necessary to maintain the business of the SPOA. Members may observe the business meetings of the SBOD, however, unless they are specifically called upon by a Member of the Board, SPOA Members are not permitted to speak at the Business Meetings. During the Business Meeting, the SBOD may call for a closed executive session to protect the privacy of individual Members.

Association Members shall not be included in the closed executive sessions and the SBOD shall have the authority to ask Members to leave the room. The SBOD shall not conduct other business during the executive session.

SECTION 4.4 REQUIREMENT OF NOTICES FOR MEETINGS

Notifications of each Annual Meeting, Open Meeting, or Business Meeting pursuant to Texas Residential Property Code §209 must state the date, location, time and agenda.

- Annual Meeting Notifications shall be given by, or at the direction of the SBOD Secretary or person authorized to call the meeting (SBOD President) at least ten (10) but not more than sixty (60) days before said meeting.

- Open and Business Meetings Notifications shall be given by or at the direction of the SBOD Secretary or any SBOD Member to call the meeting at least seventy-two (72) hours in advance of said meetings. If an emergency exists the seventy-two (72) hour advance notification shall be waived.

SECTION 4.5 MEETING QUORUMS

At the Annual Meeting of the SPOA the presence of fifty-one percent (51%) of the Owners in person or by Proxy entitled to cast a vote (one vote per lot), shall constitute a quorum. If no vote is to take place, there is no need for a quorum. If, however, a vote is scheduled to take place, and such quorum is not present or represented by a proxy at any Annual Meeting, the Members entitled to vote thereat shall have power to delay the meeting. Before the meeting can be postponed, an announcement by the SBOD President or his/her SBOD designee shall be made stating the alternative date and time to reconvene. Proxies and/or Absentee Ballots shall remain in effect until said meeting can be held with a quorum of Members in attendance.

SECTION 4.6 PROXIES

At the Annual Meeting of Members, each voting Member (one vote per lot) may vote in person, by proxy, electronically or by absentee ballot in accordance with Texas Residential Property Code §209. All proxies shall be revocable if revoked before the beginning of the Annual Meeting. All voting proxies automatically cease upon the adjournment of the Annual Meeting.

ARTICLE V: BOARD OF DIRECTORS: NUMBER OF DIRECTORS , METHOD OF SELECTION, TERM OF OFFICE, POSITIONS, REMOVAL OF BOARD MEMBERS

SECTION 5.1 NUMBER OF DIRECTORS

The affairs of the SPOA shall be managed by a Board of five (5) Directors, who must be Members of the Association. The number of Directors may be changed by an amendment of the Declaration of the Association. A Director must be a Lot Owner and maintain ownership of said Lot to remain on the SBOD.

SECTION 5.2 SBOD SELECTION AND TERM OF OFFICE

Directors will be elected in staggered three-year terms with the entire membership entitled to vote acting as the election body. A Director whose term is expiring must run for re-election to remain on the SBOD. Directors may run for repeating

terms. Any Members, who are qualified, may serve on the Board of Directors pursuant to Texas Residential Property Code §209. Two Owners from the same household may serve on the SBOD at the same time.

SECTION 5.3 DIRECTOR POSITIONS OF OFFICE

Directors will meet in closed executive session immediately following the Annual Meeting to determine among themselves which position they will hold for one year. Positions of the Board Members may change from year to year. No SBOD Member shall simultaneously hold more than one of any of the offices except the Secretary/Treasurer position.

SECTION 5.4 OPEN BOARD POSITIONS

In the event that the Election Chairperson does not receive Letters of Intent to run for an Open Board Position(s) equal to the number of open positions, **then and only then** shall nominations be taken from the floor at the Annual Meeting.

If Letters of Intent are received equal to the number of Open Positions, there shall be no election and the candidates shall be appointed by acclamation by the acting SBOD President or his/her SBOD designee.

SECTION 5.5 REMOVAL OF A DIRECTOR BY THE SPOA

Any Director may be removed from the SBOD, with or without cause, by either:

1. A petition signed by the Members of the SPOA representing the majority fifty-one percent (51%) of the Lot Owners entitled to vote in SPOA affairs (one signature per lot); or
2. at a special recall election called by the SPOA, which may be taken:
 - (a) By ballot (written or electronic) with or without out a meeting; or
 - (b) at any Annual Meeting by the majority vote of a quorum of Members Present or represented by Proxy; or
 - (c) at any special meeting called by the SPOA for that purpose by the majority vote of a quorum of Members present or represented by proxy.
3. In the event of disability, death, resignation or removal of a Director, his/her successor shall be selected and appointed by the majority vote of the remaining members of the SBOD and shall serve until the earlier of:
 - (a) Expiration of the term of the replaced Director; or

- (b) the day following a special meeting held of the Members which is set and arranged by the SBOD to elect and appoint a Director to replace the appointed Director and complete the unexpired term; or
- (c) March 1st following the Annual Meeting at which time a replacement for the unexpired term was elected.

SECTION 5.6 STANDARDS OF WORK ETHICS AND EXPECTATIONS FOR A MEMBER OF THE SBOD

- A SBOD Member is required to contact fellow Board Members to inform them that they will be absent (several consecutive days) and the length of time they will be away from their SBOD duties.
- A SBOD Member is required to notify the Office Manager of an absence so that the absence can be documented on the office calendar. Contact information should also be documented in the office.
- A SBOD Member must be available by telephone or email during their absence. Failure to vote on important issues or to respond to SBOD notifications in a timely manner shall cause the President to request a resignation from said Board Member.
- A SBOD Member must approve and electronically sign off on the SBOD Secretary's draft of the meeting minutes before they can be released to the SPOA.
- No individual SBOD Member may contact the SPOA's attorney without consulting the SBOD. If legal advice is warranted, the President shall appoint two (2) SBOD Members to make said contact with the Association's attorney and the attorney must be notified that both SBOD Members shall be sent electronically his/her responses.
- A SBOD Member must not act to benefit themselves, their families, or their business interests at the expense of the SPOA. Failure to comply with this requirement will cause the SBOD to demand a resignation.

SECTION 5.7 RESIGNATION OF A DIRECTOR

A SBOD Member may resign at any time giving written notice to the Board President or the Board Secretary. Said resignation shall take effect immediately upon the receipt of such notice. Acceptance of said resignation shall not be necessary to make it effective. The SBOD shall appoint a replacement Director by majority SBOD vote.

SECTION 5.8 REMOVAL OF A DIRECTOR BY THE SBOD

- A quorum of the Board of Directors may declare the position on the SBOD to be vacant in the event that a member shall be absent from three (3) consecutive meetings of the Board of Directors. The remaining Members of the SBOD shall have the authority to appoint an Association Member to fill the vacant position without a Membership vote. If a quorum of the SBOD removes a member due to a vacancy; the appointed SBOD Member shall remain in office until the next Annual Meeting.
- A quorum of the Board of Directors may remove a Director without Association Membership vote **if and only if** said Director refuses to act in the capacity of the position they hold. If a quorum of the SBOD removes a member due to refusal to act in the capacity assigned to them by majority vote of the Directors, they may appoint an Association Member to fill the vacancy. Said Association Member shall remain on the SBOD until the next Annual Meeting.

ARTICLE VI: ELECTION OF DIRECTORS:

Section 6.1 SBOD ELECTION CHAIRPERSON

The President shall appoint a SBOD Member to oversee the Annual Meeting Election for any open Board positions. The appointment must be announced at a Business Meeting three (3) months before the Annual Meeting (Not later than November 2).

Section 6.2 ELECTION PROCEDURES

The election to the Board of Directors shall be by secret written ballot or electronic ballot sent to the SPOA's Voting email address. At such election the members or their proxies may cast, in respect to each vacancy, one unified vote per Lot as stated in the provisions of the Second Restated and Superseding Declaration. The Member(s) receiving the majority of the votes shall be elected. Ballots in an Association wide election are not required for uncontested races. In the event of a

tie between candidates for the final position on the Board, the position will be awarded on the basis of a coin toss.

SECTION 6.3 NOMINATIONS FROM THE FLOOR FOR OPEN BOARD POSTIONS

If and only If there are not enough letters of intent to fill the open Board positions, the Election Chairperson shall call for nominations from the floor. Nominees must be an Association Member, must be eligible to vote, and must either accept or reject the nomination at the time they are nominated.

SECTION 6.4 ELECTION TALLY COMMITTEE

The Election Tally Committee which consists of four (4) Association Members shall be appointed by the Election Chairperson at least sixty (60) days in advance of the Annual Meeting. (Not later than December 2)

ARTICLE VII: SBOD QUORUMS, MEETINGS OF DIRECTORS, DIRECTOR'S COMPENSATION AND SBOD ACTIONS WITHOUT A MEETING

SECTION 7.1 SBOD QUORUMS

A meeting of the SBOD may not be held if there is no SBOD quorum which consists of three (3) SBOD Members. Telephonic presence may be counted as attending and part of the SBOD quorum and shall be documented as such in the minutes of said meetings.

SECTION 7.2 OPEN MEETINGS

Open Meetings of the Board of Directors shall be held with Notification to the Association at least seventy-two (72) hours in advance indicating the date, time, place, and agenda for the meeting. Telephonic presence shall be counted as attending and part of the SBOD quorum and shall be documented as such in the minutes of said meetings. If an emergency situation should arise, the SBOD may call an open meeting only to discuss the SBOD's plan to address said emergency without a seventy-two (72) hour advance notice.

SECTION 7.3 BUSINESS MEETINGS

Business Meetings of the Board of Directors shall be called by any Director and shall be held with Notification to the Association at least seventy-two (72) hours in advance indicating the date, time, place, and agenda for the meeting. A SBOD quorum must be present to conduct a Business Meeting. Telephonic presence shall

be counted as attending and counted as part of the quorum and shall be documented as such in the minutes of said meetings.

SECTION 7.4 DIRECTOR'S COMPENSATION

No Director shall receive compensation for any service he/she may render to the Association. However, any Director may be reimbursed for his/her actual expenses incurred in the performance of their duties. Receipts must be provided to the SBOD Treasurer or his/her designee before a reimbursement may be processed.

SECTION 7.5 SBOD 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 approval of a majority of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors. All Directors shall be notified regarding the proposed action to be taken. If a Director is unable to be contacted, he/she must be given written notification of the result of the action taken by the SBOD Secretary. All Directors shall be notified of any action taken within seven (7) days of the approved or disapproved action.

All Actions taken without a meeting must be documented on the Action without a Meeting Form by the SBOD Secretary. The SBOD Members must be listed on the form and the form must be signed (electronically if needed) and filed in the SBOD Minutes binder. All Actions without a meeting information must be included in the next set of minutes that is given to the Members. Sensitive and private information must be generally reported so as not to disclose confidential information.

ARTICLE VIII: POWERS AND AUTHORITY OF THE SOUTHGATE BOARD OF DIRECTORS

SECTION 8.1 SPOA BYLAWS

The Board of Directors shall have the power and authority to adopt and publish the Bylaws that govern the Association. The SBOD shall have the power and authority to enforce the Bylaws. The SBOD does not need approval from the Association to amend or adopt the Bylaws.

SECTION 8.2 SPOA RULES AND REGULATIONS

The Board of Directors shall have the power and authority to adopt and publish Rules and Regulations governing the use of the Common Area, Recreational Common Areas and facilities, establish and monitor the personal conduct of

Members and their guests, and to establish penalties for the infraction of the Rules and Regulations. The SBOD shall have the power and authority to enforce the Rules and Regulations. The SBOD does not need approval from the Association to amend or adopt the Rules and Regulations.

SECTION 8.3 SBOD ENFORCEMENT OF THESE BYLAWS AND ALL DEDICATORY INSTRUMENTS

The Board of Directors shall have the power and authority to enforce all the Southgate Dedicatory Instruments that govern the subdivision in any legal manner available as they deem appropriate, including, without limitation, conducting a census of the occupants of the Lots, requiring birth certificates, or other proof of age for each occupant of the Lot to be provided to the SBOD on a periodic basis, and taking legal action against the occupants of any Lot not in compliance with the requirements and regulations of the Southgate Dedicatory Instruments. Each Member shall appoint the SBOD as its attorney-in-fact for the purpose of taking legal action to dispossess, evict, or otherwise remove the occupants of the Residency as necessary to enforce compliance with the Southgate Dedicatory Instruments.

SECTION 8.4 SAFEGUARDS

The Board of Directors shall have the power and authority to acquire by gift, foreclosure, purchase or otherwise, own, hold, improve, build upon, operate, maintain real or personal property on behalf of the SPOA.

The Board of Directors shall have the power and authority to sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property on behalf of the SPOA, only with the assent of at least sixty-five percent (65%) of the Members of the SPOA [however, such assent requirement is not applicable to service equipment, supplies, personal property, furnishings, décor and/or the sale of Lots foreclosed on pursuant to the Second Restated and Superseding Declaration of Covenants, Conditions and Restrictions Section 4.6.C].

SECTION 8.5 BORROWING MONEY

The Board of Directors shall have the power and authority to borrow money (unsecured loans). Secured loans require the assent of at least sixty-five percent (65%) of the Members of the SPOA [which assent requirement is not applicable to borrowing against foreclosed Lots as provided in the Second Restated and Superseding Declaration of Covenants, Conditions and Restrictions Section 4.6.C (4)], to mortgage, pledge, grant security interests in any or all of the SPOA's real or personal property as security for money borrowed or debts incurred.

SECTION 8.6 RESIDENT BACKGROUND CHECKS/LEGAL IMMIGRATION STATUS/PROOF OF AGE

The Board of Directors shall have the power and authority to request a criminal background check for:

- Purchasers before purchasing the property,
- Renters before signing a lease
- Long-term guests residing in Southgate Subdivision.

The Board of Directors shall have the power and authority to request proof of legal immigration status for all residents.

- Purchasers before purchasing the property,
- Renters before signing a lease
- Long-term guests residing in Southgate Subdivision.

The Board of Directors Treasurer or his/her SBOD designee shall have the power and authority to request legal proof of age and immigration status before releasing the re-sale certificate for all residences.

The Board of Directors shall have the power and authority to request legal proof of age from any resident who resides in the Southgate Subdivision. This mandate also shall include long-term guests.

The Board of Directors shall have the power and authority to assess a \$40.00 registration fee for all purchasers and renters at the time they are registered in the Southgate Subdivision. All Registration Fees shall become Lot Specific Fees and shall accrue interest if not paid at the time of registration. Homeowners renting their property shall be responsible for the registration fee.

SECTION 8.7 RIGHT OF REFUSAL TO ALLOW ANY PERSON(S) TO PURCHASE, RENT OR RESIDE IN THE SOUTHGATE SUBDIVISION

The Board of Directors shall have the power and authority to act on behalf of the SPOA in refusing to allow purchases or leases for convicted felons,

The Board of Directors shall have the power and authority to act on behalf of the SPOA to refuse to allow any person(s) residency in the Southgate Subdivision, who does not prove legal immigration,

SECTION 8.8 SUSPENSION OF ASSOCIATION MEMBER'S RIGHTS TO USE THE RECREATIONAL COMMON AREAS

The Board of Directors shall have the power and authority to suspend the right to use the Recreational Common Areas by a Member during the period in which such Member shall be in default in the payment of any assessment or Lot Specific Fee levied by the SBOD.

SECTION 8.9 ASSESSMENT OF FINES

The Board of Directors shall have the power and authority to impose Lot Specific Fees and/or Late Fees as established in the Declaration of Covenants, Conditions and Restrictions, Articles of Incorporation, the Bylaws, and the Rules and Regulations.

SECTION 8.10 ANNUAL ASSESSMENTS AND SPECIAL ASSESSMENTS

The Board of Directors shall have the power and authority to fix the amount of the annual assessment against the Lots. The SBOD Secretary shall Notify Members at least thirty (30) days in advance of the end of the fiscal year if there is a change in the amount of the annual assessment. If the annual assessment remains the same no notification shall be necessary.

The Board of Directors shall have the power and authority to decide when a Special Assessment of \$100.00 or less may be levied on the SPOA. Notification of such Special Assessment must be given not less than thirty (30) days before the date the Special Assessment is due and not greater than sixty (60) days.

SECTION 8.11 ASSESSMENT LATE FEES, LIENS, AND FORECLOSURES

The Board of Directors Treasurer or his/her SBOD designee shall have the power and authority to assess late fees for assessments that are not received in the SPOA office by the due date which is the first (1st) day of every month.

Reference: See Southgate Collections Policy filed with the County of Hidalgo.

Late Fees are subject to the requirements of Texas Residential Property Code §209 and as more fully provided in the Second Restated and Superseding Southgate Declaration, Covenants and Restrictions. Each Member is obligated to pay to the

Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. All assessments are due on the first day of every month. If not paid by the first day of every month, the assessments are considered delinquent and a late fee may be assessed. If the late

assessment is not paid within thirty (30) days after the due date, the assessment may bear interest from the date of delinquency. It shall also be accompanied by fines as set forth in the Declaration. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property. Interest, 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 non-use of the Common or Recreational Common Areas or abandonment of his/her Lot.

SECTION 8.12 LOT SPECIFIC FEES

The Board of Directors shall have the power and authority to set Lot Specific Fees/Fines for infractions and/or violations of the Dedicatory Instruments. Fines will begin at \$25.00 and shall double with each offense not to exceed \$100.00 per offense. As per Texas Residential Property Code §209, only the first infractions must be addressed in person by the CCC and followed up with a written notification. All other infractions of the same nature do not require further notice and Lot Specific Fees shall be assessed using requirements established in Texas Residential Property Code §209.

SECTION 8.13 ADDITIONAL SBOD POWERS AND AUTHORITIES

The Board of Directors shall have the power and authority to exercise for the SPOA all powers, duties and authority vested in this Association and not reserved to the membership by other provisions of these Bylaws, the Declaration of Covenants, Conditions and Restrictions or the Articles of Incorporation.

SECTION 8.14 SBOD POWER TO HIRE EMPLOYEES/INDEPENDENT CONTRACTORS

The Board of Directors shall have the power and authority to employ a manager, hire independent contractors, or such other employees as they deem necessary, and to supervise and prescribe their duties. The SBOD shall appoint one SBOD member to supervise all employees and to see that their duties are properly performed.

SECTION 8.15 SBOD POWER TO PLACE A LIEN, AND/OR JUDGEMENT, OR FORCLOSE ON AN ASSOCIATION MEMBERS' PROPERTY

The Board of Directors shall have the power and authority to seek a lien and/or judgment against the property or foreclose on the property for which assessments are not paid within thirty (30) days after the due date in accordance with Texas Residential Property Code §209. The SBOD also has the power and authority to

file a law suit in a small claims court and/or report the delinquent payments to the credit bureau.

SECTION 8.16 CLUBHOUSE MANAGEMENT

The Board of Directors shall have the power and authority to manage the Clubhouse. They shall control membership rentals, and they shall have the responsibility of writing Rules and Regulations that govern the Clubhouse. A majority of the vote of the SBOD is required to alter the information stated in the Clubhouse Member Rental Policy.

SECTION 8.17 SPECIAL APPOINTMENTS/EX-OFFICIO DIRECTORS

The Board of Directors shall have the power and authority to elect Committee Members as the affairs of the Association may require. The Chairperson of that Committee shall regularly report the Committee's progress to the SBOD. The Committee shall have authority and perform such duties as the Board may determine.

The Board of Directors shall have the power and authority to designate, from time to time, one or more persons as ex-officio Directors who shall serve in that capacity at the discretion of the SBOD. Such person(s) shall be entitled to receive notices of and to attend meetings of the SBOD but shall not have the right to vote and shall have no duties or liabilities of a Director, all in accordance with Section §22.210 of the Texas Business Law.

ARTICLE IX: DUTIES OF THE BOARD OF DIRECTORS

(Reference: The duties and responsibilities are described fully in the Second Restated and Superseding Declaration of Covenants, Conditions and Restrictions Article XI Management of Subdivision Sections 11.1 through 11.4) All SBOD Members shall be familiar with the Southgate Dedicatory Instruments.

SECTION 9.1 DUTIES OF THE SBOD: PRESIDENT

It shall be the duty of the President of the Board of Directors to preside over all meetings. The President is responsible for conducting all meetings using Robert's Rules of Order. The President is responsible for arranging Executive Session Meetings between the SBOD and individual residents. The President is responsible for reprimanding SBOD Members. The President shall see that orders and resolutions of the SBOD are carried out, may sign all leases mortgages, deeds and other written instruments. The President does not have signatory rites to sign the Corporation's checks. The President is considered the Association's Registered Agent. The President shall appoint three (3) Members of the SBOD to

the Compliance Control Committee (CCC). The three Members shall appoint one of the CCC Members to maintain all records and be considered chairperson of that committee.

SECTION 9.2 DUTIES OF THE SBOD: VICE-PRESIDENT

It shall be the duty of the Vice-President to act in the place and stead of the President in the event of his/her absence, inability or refusal to act. With the approval of the majority of the SBOD, the Vice-President may have signatory rites to sign the Corporation's checks. The Vice-President shall exercise and discharge such other duties as may be required of him/her by the Board.

SECTION 9.3 DUTIES OF THE SBOD SECRETARY RECORD KEEPING

It shall be the duty of the Board of Directors to cause to be kept by the SBOD Secretary or his/her Board designee a complete record of all its acts and corporate affairs. The SBOD Secretary shall give notice of the minutes of all Open and Business Meetings as well as, the Annual Meeting to the members of the SPOA. The Secretary shall have electronic approval of a quorum of the SBOD before minutes are released to the SPOA. The Secretary shall keep or cause the Office Manager to keep appropriate current records showing the Members of the Association together with their addresses. The Secretary is responsible for timely notifications to the SPOA. The Secretary shall perform such other duties as required by the SBOD. With the approval of the majority of the SBOD, the Secretary may have signatory rites to sign the Corporation's checks.

SECTION 9.4 DUTIES OF THE SBOD TREASURER

The Treasurer or SBOD designee shall receive and deposit in an appropriate bank account all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association except as otherwise approved by the Board of Directors; keep proper books of account; cause an annual audit of the Association books to be made at the completion of each fiscal year as soon as the SBOD books are closed; shall prepare an annual budget; prepare a statement of income and expenditures and make said reports available as an electronic document for each of the Lots.

The Treasurer shall submit a monthly financial statement to the Members. The Treasurer shall establish contingency funds for special projects and report those contingency funds balances on the monthly financial statement.

The Treasurer or his/her SBOD designee shall issue upon demand by any person, a resale certificate setting forth whether or not any assessment has been paid and if there are unpaid Lot Specific Fees. A fee of Forty (40) dollars shall be charged for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment. The Treasurer must obtain proof of age of the qualifying occupant before the resale certificate may be issued.

The Treasure must procure and maintain adequate liability and hazard insurance on property owned by the Association.

He/she shall cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; file the Corporation's taxes and issue payment (if payment is due) on a timely basis with the Internal Revenue Service for the Association. The Treasurer shall have signatory rites to sign the Corporation's checks. The Treasurer shall prepare, file quarterly and annual payroll taxes, unemployment taxes, year-end reports. The Treasurer shall prepare and issue IRS W-2 forms for all employees.

SECTION 9.5 MEMBER AT LARGE

The SBOD shall have the power and authority to assign specific assignments to the Member At Large. With the approval of the majority of the SBOD, the Member At Large may have signatory rites to sign the Corporation's checks.

SECTION 9.6 COMPLIANCE CONTROL COMMITTEE

The SBOD President shall have the power and authority to assign three (3) Members of the SBOD to participate on the CCC. The CCC members shall appoint one (1) Member of the SBOD to serve as the Chairperson. All three Members of the CCC must sign in person (or electronically) any and all correspondence sent under the name of the CCC. A copy of this correspondence should be filed in the resident's file. In lieu of signatures, SBOD electronic approvals shall be accepted. The Chairperson of the CCC shall be responsible for giving the necessary paper work to the SBOD Treasurer to send notice of the lot specific fee/fines and said Treasurer shall be responsible to track the payment of the fees. The powers, duties and responsibilities of the CCC are described fully in the Declaration of Covenants, Conditions and Restrictions.

SECTION 9.7 OTHER DUTIES AND RESPONSIBILITIES OF THE SBOD INCLUDE BUT ARE NOT RESTRICTED TO:

Supervise the maintenance of the Common and Recreational Common Areas, Supervise and oversee the following: all employees of the SPOA, all operations of the Clubhouse and the Office Manager and supervise all independent contractors. The Board of Directors may appoint committees as deemed appropriate, as provided in the Declaration.

ARTICLE X: BOOKS AND RECORDS

SECTION 10.1 RECORDS INSPECTION

The books and records of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member of the Association with a ten (10) business day advance written demand. This inspection is for written records and if requested, copies of the written records. Such documents shall be provided within ten (10) business days and the fees for providing said written records shall apply as stated in the Southgate Copy Policy filed in Hidalgo County.

The Southgate Dedicatory Instruments shall be available for inspection by any member at the principal office of the Association where copies may be purchased according to the Southgate Copy Policy which is filed in Hidalgo County and may be viewed on the Southgate web site. The Dedicatory Instruments shall also be made available on the SPOA website. Residents may request a written copy in the office off any or all the Dedicatory Instruments and they will be charged for time and materials according to Southgate Copy Policy filed in Hidalgo County.

SECTION 10.2 BOOKS AND RECORDS: EXCLUDED INFORMATION

Personnel and Resident's personal files shall be excluded to protect the individual's privacy. The executive session minutes shall be excluded. Inspection of written books and records shall be in accordance with the Texas Residential Property Owners Code §209

ARTICLE XI AMENDMENTS TO THE BYLAWS

SECTION 11.1 AMENDING BYLAWS

These Bylaws may be amended by a quorum majority vote of the SBOD during a Business or an Open Meeting. All Bylaw amendments must be filed with Hidalgo

County Clerk's Office , must be posted on the SPOA web site, and all Members shall receive notification of any amendments made to the Bylaws by the SBOD.

SECTION 11.2 CONFLICTING ISSUES BETWEEN THE SOUTHGATE DEDICATORY INSTRUMENTS

In the event of any conflict between the Southgate Dedicatory Instruments the following list shall be used to determine which section should control. The order of power is listed below:

- The Texas/Government Laws
- The Southgate Declaration of Covenants, Conditions and Restrictions
- The Southgate Articles of Incorporation
- The Southgate Bylaws
- The Southgate Rules and Regulations

ARTICLE XII: MISCELLANEOUS

The fiscal year of the Association shall begin on the first (1st) day of January and end on the thirty-first (31st) day of December of every year.

(Signatures and approvals follow on subsequent pages)

**CERTIFICATE OF COMPLIANCE
SOUTHGATE PROPERTY OWNERS ASSOCIATION**

THE UNDERSIGNED, acting with authority of the Board of Directors of Southgate Property Owners Association, a Texas Non-Profit Corporation, hereby certifies that upon a SBOD majority vote approval of the Second Restated and Superseding Bylaws applicable to Southgate Subdivision, City of Pharr, Hidalgo County, Texas was in all things properly **AGREED, APPROVED, RATIFIED** and made wholly effective.

SOUTHGATE PROPERTY OWNERS ASSOCIATION
A Texas Non-profit Corporation

By: 
Claude J. Buckland,

ITS: President
Southgate Property Owners Association

IN WITNESS WHEREOF, the undersigned, Joyce Moran Mendoza, the duly elected, qualified, and acting Secretary of Southgate Property Owners Association, a Texas non-profit corporation, hereby certifies on behalf of the Association that this Second Restated and Superseding Bylaws was duly adopted by at least a majority of the Southgate Board of Directors on a vote taken January 3, 201 and shall take effect upon its recording in the Official Public Records of The Texas Secretary of State.

SOUTHGATE PROPERTY OWNERS ASSOCIATION
A Texas Non-Profit Corporation

BY: 
Joyce Moran Mendoza

ITS: Association Secretary

CERTIFICATE OF COMPLIANCE
SOUTHGATE PROPERTY OWNERS ASSOCIATION
NOTARY STATEMENT

THE STATE OF TEXAS, §
COUNTY OF HIDALGO §

Before me, the authorities on this date personally appeared CLAUDE J. BUCKLAND, President and JOYCE MORAN MENDOZA, Secretary of the Southgate Property Owners Association. Known to me to be the persons whose names are subscribed to the Certificate of Compliance and acknowledged to me that they each executed the same in the capacities stated and for the purposes and consideration therein expressed.

This instrument was acknowledged before me on the 3rd day of
January, 2019.



(Seal)

Dawn Herrington
Notary Public Signature

My Commission Expires May 15, 2022

**CERTIFICATE OF ATTESTATION
SOUTHGATE PROPERTY OWNERS ASSOCIATION**

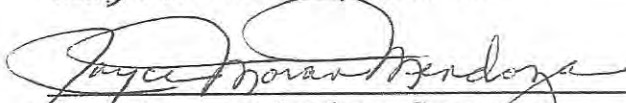
The First Restated and Superseding Bylaws of Record is herein amended to The Second Restated and Superseding Bylaws of Record. This Restatement was approved by a majority vote of the Southgate Board of Directors January 3, 2019 and has been recorded with the Texas Secretary of State.

The undersigned being the Southgate Board of Directors of the Southgate Property Owners Association hereby unanimously enact and approve The Second Restated and Superseding Bylaws of Record.




Claude J. Buckland, President

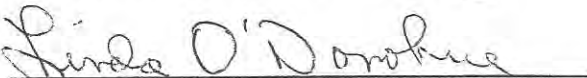
Viola De Ochoa, Vice President



Joyce Moran Mendoza, Secretary



George Herrington, Treasurer



Linda O'Donohue, Member at Large

THE STATE OF TEXAS §
COUNTY OF HIDALGO §

Before me, the Southgate Property Owners Association Board of Directors on this date personally appeared Claude J. Buckland, President; Viola De Ochoa, Vice President; Joyce Moran Mendoza, Secretary; George Herrington, Treasurer; and Linda O'Donohue, Member at Large. Known to me to be the persons whose names are subscribed in the Certificate of Attestation and acknowledged to me that they each executed the same in the capacities stated and for the purposes and consideration therein expressed.

This instrument was acknowledged before me on the 3rd day of January, 2019

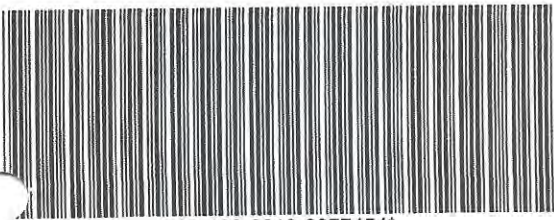
(Seal)





Notary Public Signature

My Commission Expires May 15, 2022



VG-120-2019-2977454

Hidalgo County
Arturo Guajardo Jr.
County Clerk
Edinburg, Texas 78540

Document No: 2977454

Billable Pages: 21

Recorded On: January 07, 2019 02:29 PM

Number of Pages: 22

*****Examined and Charged as Follows*****

Total Recording: \$ 116.00

*****THIS PAGE IS PART OF THE DOCUMENT*****

Any provision herein which restricts the Sale, Rental, or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document No: 2977454
Receipt No: 20190107000246
Recorded On: January 07, 2019 02:29 PM
Deputy Clerk: Elaine Acuna
Station: Mcallen-CC-K24

Record and Return To:

Southgate Property Owners Association
100 West Moore Rd #91
ORIGINAL RETURNED TO CUSTOMER
Pharr TX 78577



STATE OF TEXAS
COUNTY OF HIDALGO

I hereby certify that this Instrument was FILED in the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Hidalgo County, Texas.

Arturo Guajardo Jr.
County Clerk
Hidalgo County, Texas