

**CERTIFICATE FOR  
RECORDATION OF DEDICATORY INSTRUMENT OF  
CENTRO OWNERS ASSOCIATION, INC. A/K/A CENTRO SECTION 1**

STATE OF TEXAS

§

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF MONTGOMERY

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§

WHEREAS, Section 202.006 of the Texas Property Code requires that "A Property Owners' Association shall file its dedicatory instruments in the Real Property Records of each county in which the Property to which the dedicatory instruments relates is located."; and


WHEREAS, Centro Owners Association, Inc. a/k/a Centro Section 1, a Texas nonprofit corporation (the "Association") desires to comply with Section 202.006 by filing of record in the Real Property Records of Montgomery County, Texas, the attached instrument; and

WHEREAS, the attached instrument constitutes a "dedicatory instrument" as defined by Section 202.001 of the Texas Property Code; and

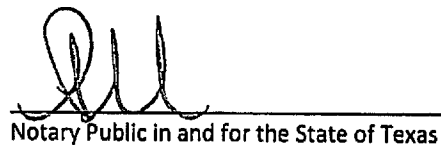
WHEREAS, the Declaration of Covenants, Conditions and Restrictions for Centro Owners Association, Inc. a/k/a Centro Section 1, executed by PHS Construction, LLC, a Texas limited liability company, as Declarant, was recorded at Document #2019040187 on or around May 4, 2019 in the Real Property Records of Montgomery County, Texas, including any amendments, additions, annexations, and supplements thereto and entitled "Declaration of Covenants, Conditions and Restrictions for Centro Section 1" (the "Declaration") subjected to the scheme of development therein certain land located in Montgomery County, Texas;

NOW THEREFORE, the undersigned authorized representative of the Association hereby executes this Certificate to effect the recording of the dedicatory instrument attached hereto on behalf of the Association.

(signature page follows)

By:   
Director & Authorized Representative  
Centro Owners Association, Inc. a/k/a Centro Section 1

This instrument was acknowledged before me on the 8th day of February, 2023 by Jackson SU, authorized representative of Centro Owners Association, Inc. a/k/a Centro Section 1, a Texas nonprofit corporation, on behalf of said corporation.



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**BYLAWS  
OF  
CENTRO OWNERS ASSOCIATION, INC.**

**ARTICLE I  
NAME AND LOCATION**

The name of the corporation is Centro Owners Association, Inc., hereinafter referred to as the "Association". The principal office of the Association shall be located at 1095 Evergreen Circle, Suite 200-521, The Woodlands, Texas, 77380, but meetings of Members and Directors may be held at such places within the State of Texas as may be designated by the Board of Directors.

**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:

"Assessment" or "Assessments" shall mean all assessment(s) levied by the Association under the terms and provisions of the Declaration, including the Maintenance Charge.

"Association" shall mean and refer to Centro Owners Association, Inc.

"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 are hereafter owned or held by the Association.

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

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

"Bylaws" shall mean these Bylaws for the Association, as they may be amended from time to time.

"Certificate" shall mean the Certificate of Formation of the Association, which will be filed in the office of the Texas Secretary of State, as the same may from time to time be amended.

"City Home Lots" shall have the meaning for such term set forth in Section 3.01 of the Declaration.

"Declarant" shall mean PHS Construction, LLC, a Texas limited liability company, and its duly authorized representatives or successors or assigns; provided that any assignment of the rights of 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.

"Declaration" shall mean the "Declaration of Covenants, Conditions and Restrictions for Centro Section 1", recorded in the Official Public Records of Montgomery County, Texas, as Document No. 2019040187, as the same may be amended from time to time.

"Flex Lots" shall have the meaning set forth in Section 3.01 of the Declaration.

"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.

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

"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.

"Mortgagee" or "Mortgagees" shall mean the holder or holders of any lien or liens upon any portion of the Property.

"Owner" or "Owners" shall mean the person(s), entity or entities, including Declarant, holding a fee simple interest in any Lot, but shall not include the Mortgagee of a Mortgage.

"Property" shall mean and refer to that tract or parcel of land situated in Montgomery County, Texas, as more fully described in the Declaration.

"Town Home Lots" shall have the meaning for such term as set forth in Section 3.01 of the Declaration.

Other terms that are capitalized but not defined herein shall have the meaning for the same set forth in the Declaration.

### **ARTICLE III MEETING OF MEMBERS**

**Section 3.1. Annual Meetings.** The first annual meeting of the Members shall be held within one (1) year from the date of formation 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 of Directors. If the day for the annual meeting of the Members is a Saturday, Sunday or legal holiday, the meeting will be held on the first day following which is not a Saturday, Sunday, or legal holiday.

**Section 3.2. Special Meetings.** Special meetings of the Members may be called at any time by the President or the Board of Directors, 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.** Not later than the tenth (10th) day or earlier than the sixtieth (60th) day before the date of an election or vote, the Association shall give written notice of the election or vote to:

1. each Member for purposes of an Association-wide election or vote; or
2. each Member entitled under the Declaration and these Bylaws to vote in a particular representative election, for purposes of a vote that involves election of representatives of the Association who are vested under the Declaration and/or Bylaws with the authority to elect or appoint Board members.

**Section 3.4. Quorum.** The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, a majority of the total votes of the Members 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. Method of Voting.** Except in uncontested races, any vote cast in an election or vote by a Member must be in writing and signed by the Member. A Member may cast his vote in one of the following manners:

a. **In Person.** A Member may attend any meeting of the Members and cast his vote at such meeting in the manner prescribed by the Board of Directors.

b. **By Proxy.** All proxies shall be in writing and filed with the Secretary of the Association. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

c. **Absentee Ballot.** Any solicitation for votes by absentee ballot must include an absentee ballot that contains each proposed action and provides an opportunity to vote for or against each proposed action, and instructions for delivery of the completed absentee ballot, including the delivery location. Any solicitation for votes by absentee ballot shall also contain the following disclosure: "By casting your vote via absentee ballot you will forgo the opportunity to consider and vote on any action from the floor on these proposals, if a meeting is held. This means that if there are amendments to these proposals your votes will not be counted on the final vote on these measures. If you desire to retain this ability, please attend any meeting in person. You may submit an absentee ballot and later choose to attend any meeting in person, in which case any in-person vote will prevail."

d. **Electronic Ballot.** An "electronic ballot" means a ballot given by e-mail, facsimile, or posting on an internet website for which the identity of the Member submitting the ballot can be confirmed, and for which the Member may receive a receipt of the electronic transmission and receipt of the Member's ballot. If an electronic ballot is posted on an internet website, a notice of the posting shall be sent to each Member that contains instructions on obtaining access to the posting on the website.

e. **Effect of Absentee or Electronic Ballot.** An absentee or electronic ballot submitted by a Member may be counted as a Member present and voting for the purpose of establishing a quorum only for items appearing on the ballot. An absentee or electronic ballot may not be counted, even if properly delivered, if the Member attends any meeting to vote in person. Any vote cast at a meeting by a Member in person supersedes any vote submitted by absentee or electronic ballot previously submitted for that proposal. An absentee or electronic ballot may not be counted on the final vote of a proposal if the motion was amended at the meeting to be different from the exact language on the absentee or electronic ballot.

**Section 3.6. Votes.** Every person or entity who is a record Owner of any Lot, including contract sellers, shall be a Member of the Association. The foregoing is not intended to include persons or entities that hold an interest in a Lot merely as security for the performance of an obligation or those having only an interest in the mineral estate associated with a Lot. No Owner shall have more than one (1) membership for each Lot owned by such Member. Memberships shall be appurtenant to and may not be separated from the ownership of the Lots. Regardless of the number of persons who may own a Lot (such as husband and wife or joint tenants, etc.), there shall be but one (1) membership for each Lot. Ownership of the Lots shall be the sole qualification for membership. Each Membership shall be entitled to one (1) vote in the Association.

**Section 3.7 Tabulation of Votes.** A person who is a candidate in an election of the Association or who is otherwise the subject of an Association vote, or a person related to that person within the third degree by consanguinity or affinity, as determined under Chapter 573 of the Texas Government Code (for the purposes of this Section 3.7, a "Restricted Person"), may not tabulate or otherwise be given access to the ballots cast in that election or vote except as provided by this Section 3.7. A person other than a Restricted

Person may tabulate votes in an Association election or vote but may not disclose to any other person how an individual voted. A person other than a person who tabulates votes under this Section 3.7, including a Restricted Person, may be given access to the ballots cast in the election or vote only as part of a recount process authorized by law.

#### **ARTICLE IV BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE**

**Section 4.1. Number.** The affairs of the 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 of Directors may be changed by resolution of the Directors; provided, however, the minimum number of Directors shall be three (3). At all times following the Final Control Transfer Date, not less than one-third (1/3<sup>rd</sup>) of the Directors shall be Owners of Flex Lots.

**Section 4.2. 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. At each annual meeting thereafter the Members shall elect each Director for a term of three (3) years.

**Section 4.3. Removal; Replacement.** 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 Directors and shall serve the unexpired term of the predecessor Director, provided that at all times following the Final Control Transfer Date at least one-third (1/3<sup>rd</sup>) of the Directors shall be Owner(s) of Flex Lots. Following the Final Control Transfer Date, any Director whose term has expired must be elected by Members.

**Section 4.4. 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 4.5. 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 by any Member of the Association. Such nominations may be made from among Members or nonmembers.

**Section 5.2. Election.** Election to the Board shall be by secret written ballot. At such election the 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 and these Bylaws. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

#### **ARTICLE VI MEETINGS OF DIRECTORS**

**Section 6.1. Regular Meetings.** Regular meetings of the Board shall be held annually or at 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, provided however, any meeting other than one conducted by electronic or telephonic

means in accordance with Section 6.4, shall be held in Texas. Should the meeting fall upon a Saturday, Sunday or legal holiday, then that meeting shall be held at the same time on the next day which is not a Saturday, Sunday, or 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 (2) Directors, after not less than three (3) days' notice to each Director.

**Section 6.3. 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 of Directors.

**Section 6.4. Form of Meetings.** The Board may meet by any method of communication, including electronic and telephonic, without prior notice to Members hereunder, if each Director may hear and be heard by every other Director. Further, the Board may take action by unanimous written consent to consider routine and administrative matters or a reasonably unforeseen emergency or urgent necessity that requires immediate Board action. Any action taken without notice to the Members hereunder must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting, and documented in the minutes of the next regular or special Board meeting.

**Section 6.5 Open Meetings.** Any meeting of the Board at which a quorum of the Board of Directors is present and during which business of the Association is considered and formal action of the Board is taken, shall be open to all Members, subject to the right of the Board to adjourn a meeting and reconvene in closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the Association's attorney, matters involving the invasion of privacy of individual Members, 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 in the executive session must be summarized orally and placed in the minutes, in general terms, without breaching the privacy of individual Members, 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 6.6 Meeting Minutes.** The Board shall maintain a record of each regular or special Board meeting in the form of written minutes of the meeting. The Board shall make meeting records, including approved minutes, available to the Members in accordance with Article X hereof.

**Section 6.7 Notice of Meetings.** Members shall 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 Member not later than the tenth (10<sup>th</sup>) day or earlier than the sixtieth (60<sup>th</sup>) day before the date of the meeting; or
- b. provided at least seventy-two (72) hours before the start of the meeting by:
  1. posting the notice in a conspicuous manner reasonably designed to provide notice to the Members: (a) in a place located on the Association's common property or, with the consent of the respective Owner, on other conspicuously located privately owned property within the Property; or (b) on any internet website maintained by the Association or other internet media; and
  2. sending the notice by e-mail to each Member who has registered an e-mail address

with the Association. It is a Member's duty to provide the Association with such Member's e-mail address from time to time.

If the Board recesses a regular or special 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 the requirements of this Article or any applicable law. If a regular or special Board meeting is continued to the following 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 (1) manner prescribed above within two (2) hours after adjourning the meeting being continued.

The Board may not, without prior notice to the Members under this Section 6.7 consider or vote on:

1. fines;
2. damage assessments;
3. initiation of foreclosure actions;
4. initiation of litigation or enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety;
5. increases in the Maintenance Charge or other Assessments;
6. levying of special Assessments; or
7. a suspension of a right of a particular Member before the Member has an opportunity to attend a Board meeting to present the Member's position, including any defense, on the issue.

**Section 6.8 Meetings Prior to the Final Control Transfer Date.** The provisions of Section 6.7 with regard to notice of Board meetings apply to meetings of the Board prior to the Final Control Transfer Date only if the meeting is conducted for the purpose of:

- a. adopting or amending the Association Restrictions;
- b. increasing the amount of the Maintenance Charge, or adopting or increasing a special charge or assessment;
- c. electing Board members other than those selected by the Declarant, or establishing a process by which those Board members are elected; or
- d. changing the voting rights of Members of the Association.

## **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 purposes of the Association as set forth in the Declaration:

- (a) exercise for the Association all powers, duties and authority vested in or related to the Association as set forth in the Declaration or permissible under law, and which are not reserved to the



membership by other provisions of the Association Restrictions;

(b) 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;

(c) employ such employees as they deem necessary, and to prescribe their duties;

(d) as more fully provided in the Declaration, to:

(1) fix the amount of the Maintenance Charge and other Assessments against each Lot;

(2) foreclose the lien against any property for which the Maintenance Charge or other Assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same;

(3) take any other collection or enforcement action as provided under the Declaration or applicable law in order to collect the Maintenance Charge, other Assessments, or to enforce the terms and provisions of the Association Restrictions.

(e) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any Maintenance Charge or other 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 the Maintenance Charge or Assessment has been paid, such certificate shall be conclusive evidence of such payment);

(f) procure and maintain adequate liability and hazard insurance on property owned by the Association, and such other insurance coverage as the Board may determine;

(g) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(h) subject to the limitations contained, herein, initiate litigation or other legal action on behalf of the Association; provided for the initiation or filing of any suit, claim or action in which the amount in controversy is greater than Fifty Thousand Dollars (\$50,000.00), the Board shall obtain the affirmative approval of the Members holding at least seventy-five percent (75%) of the votes of the Association (the foregoing shall not be required in order for the Association to respond to and defend itself in litigation, nor shall the foregoing limit the provisions of Article XIV hereof); 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 and one or more Vice-Presidents, who shall at all times be members of the Board, a Secretary and a Treasurer, and such other officers as the Board may from time to time create by resolution.

**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 an officer 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 by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**Section 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 (1) 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.** Each Vice President 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 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 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.

#### **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 (2) 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 of Directors and of carrying out and implementing any instructions or any policies, plans, programs and rules theretofore approved, authorized and adopted by the Board.

#### **ARTICLE X BOOKS AND RECORDS**

The Association shall make available to the Members the books and records of the Association, subject to the document retention, production, and copying policies and procedures set forth in the Declaration, as they may be modified from time to time.

#### **ARTICLE XI ASSESSMENTS**

As more fully provided in the Declaration, each Member is obligated to pay to the Association the Maintenance Charge and other Assessments which are secured by a continuing lien upon the property against which the Maintenance Charge and other Assessments are made. The Maintenance Charge and other Assessments shall be due and payable in accordance with the Declaration.

#### **ARTICLE XII CORPORATE SEAL**

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

#### **ARTICLE XIII AMENDMENTS**

**Section 13.1.** These Bylaws may be amended, at a regular or special meeting of the Members, by an affirmative vote of the Members holding seventy-five percent (75%) of the votes of the Association. Notwithstanding the foregoing, any amendment that would amend or modify the requirement that one-third (1/3<sup>rd</sup>) of the Directors be Owner(s) of Flex Lots shall require the affirmative vote of at least seventy-five percent of the votes of the Members that own Flex Lots.

**Section 13.2.** 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 XIV INDEMNIFICATION OF DIRECTORS AND OFFICERS**

### **Section 14.1. Definitions.** In this Article XIV:

(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 of Directors 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 (i) is limited to reasonable expenses actually incurred by the Indemnatee in connection with the Proceeding and (ii) 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 (i) 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 (ii) 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 (iii) 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 Indemnitee 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 Indemnitee 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 attorneys' 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 XIV 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 XIV. 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 XIV, 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. Deleted.**

**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 Articles, 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 XIV shall be subject to all valid and applicable laws, including, without limitation, the Texas Business Organizations Code, and, in the event this Article XIV 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 XIV 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 XIV (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, (i) acknowledges and agrees that each Indemnitee of the Association has relied upon and will continue to rely upon the provisions of this Article XIV in becoming, and serving in any of the capacities referred to in Section 14.1(a) hereof, (ii) waives reliance upon, and all notices of acceptance of, such provisions by such Indemnitees, and (iii) acknowledges and agrees that no present or future Indemnitee shall be prejudiced in his right to enforce the provisions of this Article XIV 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 XIV 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 XIV 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 XV 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.

We hereby certify that the Bylaws of the Centro Owners Association, Inc. were adopted on the 12th day of June, 2019.

  
Timothy Crawford, Director  
Nicola Crawford, Director  
R. Troy Bains, Director

**Dallas County  
John F. Warren  
Dallas County Clerk**

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**Instrument Number:** 202300024917

eRecording - Real Property

**Recorded On:** February 10, 2023 10:13 AM

**Number of Pages:** 16

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**" Examined and Charged as Follows: "**

Total Recording: \$82.00

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\*\*\*\*\* **THIS PAGE IS PART OF THE INSTRUMENT** \*\*\*\*\*

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 Number:** 202300024917  
**Receipt Number:** 20230210000206  
**Recorded Date/Time:** February 10, 2023 10:13 AM  
**User:** Kathleen M  
**Station:** CC43

**Record and Return To:**

Simplifile



**STATE OF TEXAS  
COUNTY OF DALLAS**

**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 Dallas County, Texas.**

John F. Warren  
Dallas County Clerk  
Dallas County, TX

A handwritten signature in black ink, appearing to be "JFW", located to the right of the printed name and title.