

**Documents For
Highlands Glen
Owners
Association**

Articles of Incorporation



Office of the Secretary of State

CERTIFICATE OF FILING OF

Highlands Glen Owners Association
File Number: 801875552

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 10/30/2013

Effective: 10/30/2013



A handwritten signature in black ink, appearing to read "John Steen".

John Steen
Secretary of State

FILED
In the Office of the
Secretary of State of Texas

OCT 30 2013

ARTICLES
OF
HIGHLANDS GLEN OWNERS ASSOCIATION

Corporations Section

> TO BE FILED WITH TEXAS SECRETARY OF STATE AS A CERTIFICATE OF FORMATION FOR DOMESTIC NONPROFIT CORP.
> TO BE FILED WITH DENTON COUNTY CLERK AS A "DEDICATORY INSTRUMENT" PER §202.006 PROP. CODE

REAL PROPERTY

Highlands Glen is a residential development and an addition to the City of Roanoke, Texas, according to the plat thereof recorded on February 21, 2013, as Document No. 2013-51, Plat Records, Denton County, Texas. *(The property description is provided to enable recording in the Real Property Records of Denton County, Texas.)*

DECLARATION

These Articles pertain to all **Real Property** that is made subject to the Declaration of Covenants, Conditions & Restrictions for Highlands Glen, recorded or to be recorded in the Real Property Records of Denton County, Texas, as it may be amended, supplemented, and restated from time to time (the "**Declaration**").

ARTICLE 1. NAME & TYPE. The name of this domestic nonprofit entity is **Highlands Glen Owners Association** (hereafter, the "**Association**"). This entity is the mandatory nonprofit property owners association created by the publicly recorded Declaration to govern the above-referenced Real Property, and is the "HOA" referenced on the plat of the Real Property. The filing of these Articles with the Secretary of State as a certificate of formation creates nonprofit corporation status for the Association.

ARTICLE 2. REGISTERED AGENT & ADDRESS. See Article 20.

ARTICLE 3. MANAGEMENT BY BOARD. The management and affairs of the Association are vested in the board of directors, except for those matters expressly reserved to others in the Governing Documents. The Declaration or Bylaws may determine the number and qualification of directors; the term of office of directors; the methods of electing, removing, and replacing directors; and the methods of holding a board meeting and obtaining consents. Directors may not vote by proxy at meetings of the board. See Article 19 for the names and addresses of the initial directors.

ARTICLE 4. MEMBERSHIP. The Association is a nonstock membership organization. The Declaration or Bylaws will determine the number and qualifications of members of the Association; any classes of membership; the voting rights and other privileges of membership; and the obligations and liabilities of members. Cumulative voting is not allowed.

ARTICLE 5. PURPOSES. The general purposes for which the Association is formed are (1) to exercise the rights and powers and to perform the duties and obligations of a Texas property owners association, in accordance with the Governing Documents and applicable State law, as each may be amended from time to time, and (2) for any lawful purpose not expressly prohibited under Chapters 2 or 22 of the Texas Business Organizations Code (the "**TBOC**"), including any purpose described by Section 2.002 of the TBOC.

ARTICLE 6. MANNER OF DISTRIBUTION. If the Association is a tax exempt organization under Internal Revenue Code 501(c) at the time of its dissolution, the Association will distribute its assets according to the applicable requirements of the Internal Revenue Code, which may be codified in Texas as Section 22.304 of the TBOC. If the Association is not a tax exempt organization, the Association is authorized on its winding up to distribute its assets in a manner other than as provided by Section 22.304 of the TBOC, as follows. The assets of the Association will belong to the members of the Association at the time of winding up and will be distributed, liquidated, or conveyed in accordance

with the terms of a termination agreement approved by owners to whom 80 percent or more of the votes in the Association are allocated at the time of winding up.

ARTICLE 7. DURATION. The duration of the Association is perpetual.

ARTICLE 8. POWERS. In furtherance of its purposes, the Association has the following powers which, unless indicated otherwise by the Governing Documents or applicable State law, may be exercised by the board of directors: (1) all rights and powers conferred on nonprofit entities by applicable State law in effect from time to time; (2) all rights and powers conferred on property owners associations by applicable State law, in effect from time to time; (3) all powers necessary, appropriate, or advisable to perform any purpose or duty of the Association as set out in the Governing Documents or applicable State law.

ARTICLE 9. MEETING LOCATION. Unless the Declaration or Bylaws provides otherwise, meetings of members of the Association will be held at a suitable place convenient to the members, as determined by the board.

ARTICLE 10. LIMITATIONS ON LIABILITY. A director of the Association is not liable to the Association or its members for monetary damages for acts or omissions that occur in the person's capacity as a director, except to the extent a person is found liable for (1) a breach of the director's duty of loyalty to the Association or its members; (2) an act or omission not in good faith that constitutes a breach of duty of the director to the Association; (3) an act or omission that involves intentional misconduct or a knowing violation of the law; (4) a transaction from which the director receives an improper benefit, whether or not the benefit resulted from an action taken within the scope of the person's office; or (5) an act or omission for which the liability of a director is expressly provided by an applicable statute. If the director is a member of the Association, this limitation on liability does not eliminate or modify that person's pro rata share of the Association's liability as a member of the Association.

ARTICLE 11. INDEMNIFICATION. As provided by the Bylaws, the Association will indemnify a person who was, is, or is threatened to be made a named defendant or respondent in a proceeding because the person is or was a director, officer, committee chair, or committee member of the Association. Additionally, the Association may indemnify a person who is or was an employee, trustee, agent, or attorney of the Association, against any liability asserted against him and incurred by him in that capacity and arising out of that capacity.

ARTICLE 12. IMMUNITY FOR VOLUNTEERS. To preserve the protections for Association volunteers afforded by the Charitable Immunity and Liability Act of 1987 (Chapter 84, Texas Civil Practice & Remedies Code), the Association will operate in a manner that preserves the Association's status as a homeowners association as defined by Section 528(c) of the Internal Revenue Code of 1986, as amended, or which is exempt from federal income tax under Section 501(a) of the Internal Revenue Code of 1986 by being listed as an exempt organization in Section 501(c)(4) of the code.

ARTICLE 13. AMENDMENT OF ARTICLES. These Articles may be amended or restated subject to the following:

Section 13.1. General Provisions. (1) An amendment may not conflict with the Declaration, the Bylaws, or applicable State law. (2) An amendment may not impair or dilute a right granted to a person by the Declaration, without that person's written consent. (3) If the Association is incorporated by the State of Texas at the time of amendment, an amendment must be in accordance with applicable provisions of the TBOC.

Section 13.2. Amendment by Declarant. During the Declarant Control Period, Declarant may unilaterally amend or restate these Articles for any purpose, without a vote of the board or of the owners.

Section 13.3. Amendment by Board. During the Declarant Control Period, the board of directors may unilaterally amend or restate these Articles for any purpose, without a vote of the owners, provided the amendment is approved in writing by Declarant. After the Declarant Control Period, the board of directors may unilaterally amend or restate these Articles, without a vote of the owners, for the following limited purposes: (1) to delete the names and addresses of the initial directors, (2) to delete the name and address of the initial registered agent or office, provided a statement of change is on file with the Secretary of State, (3) to change the name of the Association with the Secretary of State by adding, deleting, or changing a geographical attribute to the name, (4) to qualify the Association or to maintain its eligibility for any status that is in the best interests of the Association, such as a tax exemption, and (5) to conform these Articles to changes in public law.

Section 13.4. Amendment by Members. For all other purposes, an amendment must be approved by the board and by owners representing at least two-thirds of the votes or voting interests present, in person or by proxy, at a properly called meeting of the Association for which a quorum is obtained.

ARTICLE 14. AMENDMENT OF BYLAWS. The Bylaws of the Association may be amended or repealed according to the amendment provision of the Bylaws, which reserve those powers to the members, with limited exceptions for the board acting alone and for the Declarant's reserved right of unilateral amendment.

ARTICLE 15. ACTION WITHOUT MEETING. Subject to the additional requirements of TBOC Section 6.202, any action required by the TBOC or by the Governing Documents to be taken at a meeting of members or owners may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by a sufficient number of members or owners as would be necessary to take that action at a meeting at which the required number of owners or members were present and voted.

ARTICLE 16. DECLARANT CONTROL PERIOD. The Declaration provides for a Declarant Control Period during which Declarant determines the number and qualification of officers and directors, who serve at the pleasure of Declarant, who is empowered by the Declaration to appoint, remove, and replace the officers and directors of the Association. The Declaration also determines the weight or numbers of votes allocated to lots owned by Declarant. Because Declarant has powers, rights, and duties in addition to those of other members, Declarant may constitute a membership "class" as described by the TBOC, the other lot owners constituting a different "class."

ARTICLE 17. CHANGE OF STATUS. The continuing existence of the Association as described in its Governing Documents is vested in its members - the owners of the Real Property - not in its corporate status, its name, or its filing number. During any period in which the Association is not incorporated, it will be subject to the Texas Unincorporated Nonprofit Association Act (Chapter 252 of the TBOC), and these Articles will continue to be effective as a Governing Document of the Association.

ARTICLE 18. TERMINOLOGY. Capitalized terms used in these Articles, such as Association, Declarant, Declarant Control Period, Declaration, and Governing Documents, have the same meanings as defined in Article 1 of the Declaration. "Articles" and "Articles of Association" have the same meaning as "Certificate of Formation" and "Articles of Incorporation," wherever used. As applied to this Association, the following terms which are defined or used in the TBOC are construed as follows:

Section 18.1. "Governing Documents," as defined by the TBOC, is construed by the Association to mean the "Governing Documents," as defined by the Declaration, even though Governing Documents may have been initially adopted by the Declarant of the Real Property for the benefit and use of the members of the Association, rather than having been adopted by the Association, as indicated by the TBOC's definition of Governing Documents.

Section 18.2. "each member entitled to vote at the meeting," as used in the TBOC, is construed by the Association to mean that if a lot is co-owned, even though all the co-owners are members of the Association, the co-owners share one membership per lot for notification and voting purposes. Therefore, votes and memberships are tabulated on a lot basis, rather than on a headcount of owners and co-owners.

ARTICLE 19. INITIAL BOARD OF DIRECTORS. The initial board consists of three directors who serve at the pleasure of Declarant during the Declarant Control Period, and who will serve as directors until the earlier of (1) their successors are appointed by Declarant, or (2) their successors are elected by the members of the Association after the Declarant Control Period. The number of directors after the Declarant Control Period is determined by the Bylaws, and may be changed from time to time by amendment of the Bylaws. The name and address of each initial director are as follows:

<u>Name</u>	<u>Address</u>
Don E. Allen	6751 North Freeway, Fort Worth, Texas 76131
Judy M. Snedeker	6751 North Freeway, Fort Worth, Texas 76131
Sandy L. Trenton	6751 North Freeway, Fort Worth, Texas 76131

**** Electronically Filed Document ****

Denton County
Cynthia Mitchell
County Clerk

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Indirect-

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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.



THE STATE OF TEXAS)
COUNTY OF DENTON)

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 Denton County, Texas.

C. Mitchell

County Clerk
Denton County, Texas