

Saddleridge Property Owners Association Amendment Process

Adopted by the SPOA Board on July 20, 2026

WHEREAS, the Board of the Saddleridge Property Owners Association (“SPOA”) wishes to give voice to all property owners to propose and debate amendments to the SPOA Declaration of Covenants (“Covenants”)¹ and By-Laws;²

WHEREAS, to improve participation in the governance of property owners’ associations, the Texas Property Code now permits electronic voting;

WHEREAS, to increase participation in the governance of the SPOA, the Board desires, in accordance with provisions of the Texas Property Code, to implement a process to amend the Covenants and By-Laws that improves dissemination of arguments for and against proposed amendments, separates personalities from the issues and allows those who cannot attend in-person meetings to participate;

NOW THEREFORE, the Board hereby adopts this Amendment Process that incorporates an exchange of position statements followed by voting to be conducted online to amend the Covenants and By-Laws following the steps described below:

I. Step One: Proposal Presentation

- a) For a proposed Covenants or By-Laws amendment, the Proposer, who in accordance with Covenants §8.02 must be an SPOA property owner (“Owner”), will draft a full discussion (the “Proposal Presentation”) explaining the rationale for the change, the specific revisions to the Covenants or By-Laws to implement that change, and give reasons supporting the change.
- b) The Board will review the Proposal Presentation for adequacy and appropriateness to edit out extraneous or inappropriate comments, and, if the Board deems desired changes in the Proposal Presentation to be material, the Board may send the Proposal Presentation back to the Proposer for revision.
- c) Once the Board is satisfied that the Proposal Presentation meets the adequacy and appropriateness requirements, the Secretary will email the Proposal Presentation to Owners, using the email address for each Owner on record with the SPOA, and, in

¹ The SPOA Declaration of Covenants cited in this document refers to the then-current Declaration of Covenants, Conditions and Restrictions, Saddleridge Sections I and II.

² The By-Laws referenced herein are the then-current By-Laws of the Saddleridge Property Owners Association.

that email, the Secretary will explain this amendment process and ask for responses. Neither the Secretary's email nor any marking on the Proposal Presentation will identify the Proposer. The Secretary will instruct Owners wishing to respond to the Proposal Presentation to email those responses directly to the Secretary. At the direction of the Board, the Secretary will set a time limit for submission of responses, but no more than one month from the date of the Secretary's email with the Proposal Presentation.

II. Step Two: Exchange of Responses

- a) The Secretary will forward any timely responses to the Proposal Presentation to the Board to undergo the same review process followed for the Proposal Presentation. If the Board determines that a response needs to be modified due to extraneous or inappropriate comments, the Board may edit the response or send the response back to the responder for modification.
- b) The Board may hold responses until all timely submissions are received to determine if any are duplicative; and then remove duplicates or consolidate points made by responders into one combined response.
- c) When the Board determines that all timely responses have been reviewed and modified or consolidated as appropriate, the Secretary will then forward the reviewed responses to the Proposer to provide an opportunity for the Proposer to reply; however, neither the Secretary's email nor any marking on the responses will identify any Owners providing those responses. The Proposer will have two weeks to provide a reply, and that reply will undergo the same review process the Board used for the Proposal Presentation.
- d) Once the Board receives and reviews a timely reply from the Proposer, or the time for such a reply has expired, the Board will authorize the Secretary to circulate the response and any reply; however, neither the Secretary's email nor any marking on the responses will identify any Owners providing those responses or reply. If there is a reply, the Secretary's email will invite further responses to the reply; however, the Secretary will state in that email that the Board may set aside any responses that substantively repeat arguments made and published in an earlier exchange of responses.
- e) If there are responses to the reply, the Board may determine that no substantive new arguments have been raised and terminate the exchange process in this Step Two. If the Board determines that new, valid and substantive arguments have been raised, the Board will repeat procedures a) through d) of Step Two above.

III. Step Three: Vote

- a) When the Board terminates the exchange process in Step Two, the Secretary will engage an on-line voting system to present the proposed amendment to the Covenants or By-Laws to a vote by electronic ballots in accordance with Texas Property Code §209.0058. In accordance with Texas Property Code §209.0056, the Secretary will provide notice of an association vote prior to the commencement of voting on the proposed amendment.
- b) For purposes of amending the Covenants, the totality of votes cast will constitute the “signed ballots” for purposes of §8.02 of the Covenants, and the Secretary will so state in the email calling for a vote. In accordance with Texas Property Code §§209.0058 and 209.00592, each vote will constitute a signature by or on behalf of each Owner for each vote allotted to that Owner, with one vote per Tract as defined in the Covenants. As stated in Covenant §8.02, to effect an amendment of the Covenants, the signed ballots voting for the amendment must represent “a majority of not less than sixty-seven percent (67%) of the total votes allotted to property owners entitled to vote on the amendment”.
- c) For purposes of amending the By-Laws, each vote will constitute a proxy under §13 of the By-Laws, cast as an electronic ballot in accordance with Texas Property Code §209.00592, granted to the Secretary to be voted on the By-Law amendment proposal as indicated on the electronic ballot cast by each Owner. The proxies will then be voted at the next in-person regular meeting called by the Board or at a special meeting called by the Board for the purpose of recording the votes. To effect an amendment to the By-Laws, there must be sufficient votes to achieve a quorum of twenty percent (20%) of total votes allotted, in accordance with By-Law §3:4, and a majority of those votes must approve the amendment, in accordance with By-Law §13.1.
- d) The Board will establish the period during which votes may be cast, but not less than twenty-one (21) days nor more than sixty (60) days. At the close of voting, the Board will certify that the number of votes cast meet the quorum requirements of §8.02 of the Covenants or §3:4 of the By-Laws, as applicable. For purposes of amending the Covenants or the By-Laws, failure to reach a quorum within the time limits set by the Board will end the amendment process for the current Proposal Presentation.
- e) When the Board concludes that a quorum of votes is received, the Secretary will announce the result of the vote. If the votes cast approve an amendment to the Covenants according to the requirements of Covenant §8.02, the Board will follow the filing procedures in Covenant §8.02, and the amendment will take effect upon filing. If the votes cast approve an amendment to the By-Laws in accordance with By-Laws §13, that amendment will take effect immediately.

IV. Other Considerations

- a) To maintain anonymity while implementing the procedures herein, Board members shall not disclose the names of Proposers or those Owners who respond during the period from receipt of a Proposal Presentation to the final vote unless an Owner waives confidentiality explicitly or by otherwise publicizing that Owner's position on the Proposal Presentation outside the procedures contained herein. Whether anonymity is to continue after the vote is a Board decision.
- b) Because Covenant §8.02 allows any Owner to propose amendments, any Board member who is an Owner may be a Proposer or otherwise participate in the exchange of responses, but that Board member is nevertheless bound by the confidentiality provisions in paragraph IV.a) above.
- c) Should a proposed amendment fail to obtain the votes needed to amend the Covenants or the By-Laws, the Proposer (who may be an Owner different from the original Proposer) may reintroduce the proposed amendment at a later time by submitting a renewed Proposal Presentation. However, if less than two (2) years have passed since the original attempt to pass an amendment, the Board, as part of its review of the renewed Proposal Presentation, may require the Proposer to justify why such a renewed proposal would pass given the previous failed attempt. Only if the Board is satisfied that there is adequate reason to re-propose an amendment that had failed in the previous two (2) years will the Board authorize the approval process contained herein to begin with Step One above for the renewed Proposal Presentation.
- d) During Step Two, a Proposer may modify a proposed amendment based on comments received; however, if the Board determines that any such modification is substantive, the Board may require that certain Step Two processes be repeated before moving to Step Three. When proceeding with a vote under Step Three, to meet the requirements of Texas Property Code §209.00592(b)(3), the Secretary shall present only the modified amendment for the vote and note that the modified amendment is different from that originally proposed.