

**HOMEOWNERS ASSOCIATION OF FRISCO RANCH, INC.
NOTICE OF SPECIAL MEETING AND VOTING PERIOD**

Dear Member:

The Board of Directors ("Board") of Homeowners Association of Frisco Ranch, Inc. ("Association") has scheduled a Special Meeting of Members to vote to amend the Declaration of Covenants. The purpose of the Special Meeting is to hold a Town Hall type discussion to address any questions related to the proposed Amendment and to begin the voting process.

The Voting Period for the proposed Amendment shall open on July 26, 2022 and close at 5:00 P.M. on August 5, 2022 (the "Voting Period"). Owners shall have the following options to cast the votes they are allocated pursuant to the governing documents: (1) In-Person Ballot; (2) Proxy; (3) Electronic/Online Voting; and (4) Absentee Ballot

This packet includes: (1) Notice and Agenda; (2) Online Voting Instructions; (3) Proxy Instructions; (4) a Proxy Form; and (5) Absentee Ballot.

An agenda for the Special Meeting is provided below for your review.

AGENDA – SPECIAL MEETING

Date: July 26, 2022

Time: Beginning at 7:00 P.M.

Place: Municipal Center, 1230 Brendan Dr, Little Elm, TX 75068

Online: <https://us06web.zoom.us/j/83754900725?pwd=VHNHZHlVSmxWa2pvSnA1RlRlQlp3Zz09>
Meeting ID: 837 5490 0725; Passcode: 968215

Purpose: Discuss Amendment and open voting period on Amendment to the Declaration of Covenants

ORDER OF BUSINESS AT SPECIAL MEETING:

7:00 PM - Member sign-in and registration, proxy registration

7:15 PM - Official Business (Below)

1. Call to Order
2. Announcement of quorum
3. Town Hall regarding amendment
4. Open Voting Period to extend until 5:00 P.M. on August 5, 2022
5. Adjournment

ELECTRONIC/ONLINE VOTING INSTRUCTIONS

All Owners will be entitled to exercise their vote in whatever manner they so choose. The Association has elected to offer an electronic/online voting option during the Voting Period. **Electronic/Online votes must be cast no later than 5:00 P.M. on August 5, 2022.** Owners may cast their vote online by visiting the following webpage: www.friscoranchhoa.com

PROXY VOTING INSTRUCTIONS

If you choose to use the attached proxy, a blank line is provided in the proxy where you must identify and designate the proxy holder.

Prior to the meeting, the completed proxy form may be sent via e-mail, fax, mail, or hand delivery to the Association at the address below.

If you do not provide your proxy to the Association prior to the meeting, your completed proxy form may be presented at the Special Meeting, but must be presented prior to the time the meeting is called to order in order to register the proxy.

PROXIES SUBMITTED BY E-MAIL, FAX, AND MAIL TO:

Email: jjennings@tscmanagement.com

Fax: (469) 533-8836

Mail: Jennifer Jennings
c/o Homeowners Association of Frisco Ranch, Inc.
6401 S. Custer Road, Suite 2020
McKinney, TX 75070

The person designated as proxy holder must be present at the meeting in which the proxy will be used to vote.

**2022 SPECIAL MEETING
HOMEOWNERS ASSOCIATION OF FRISCO RANCH, INC.
PROXY FORM**

The undersigned Member(s) hereby appoint(s) _____ as proxy agent with full power of substitution and with discretionary authority, to vote the number of votes to which I am entitled to vote at the **Special Meeting of Homeowners Association of Frisco Ranch, Inc.** (the "**Association**") to be held on July 26, 2022 and at any adjournment. If left blank, the President will serve as your proxy agent.

This revokes all proxies previously granted and is valid for this meeting and any reconvened meeting only. This proxy is not revocable unless written notice is delivered to the Association prior to any vote.

Owner's Printed Name: _____

Lot(s) or Property Address(es): _____

Owner's Signature**: _____ Date: _____

**IF A LOT IS JOINTLY OWNED, ONLY ONE OWNER'S SIGNATURE IS REQUIRED.

[ABSENTEE BALLOT FOLLOWS]

**2022 SPECIAL MEETING
HOMEOWNERS ASSOCIATION OF FRISCO RANCH, INC.
ABSENTEE BALLOT**

ITEM 1: Deletion and replacement of Section 7.1 of the Declaration. A “YES” vote means you approve of the Amendment. A “NO” vote means you do not approve of the Amendment.

Mark the blank with an “X” to cast a vote for or against the amendment.

_____ **YES – I APPROVE THE AMENDMENT**

_____ **NO – I DO NOT APPROVE AMENDMENT**

NOTICE: 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.

Name: _____ Address: _____

Signature: _____ Date: _____

ITEM 2: Addition of Section 8.5 to the Declaration allowing Voting Delegates. A “YES” vote means you approve of the Amendment. A “NO” vote means you do not approve of the Amendment.

Mark the blank with an “X” to cast a vote for or against the amendment.

_____ **YES – I APPROVE THE AMENDMENT**

_____ **NO – I DO NOT APPROVE AMENDMENT**

NOTICE: 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.

Name: _____ Address: _____

Signature: _____ Date: _____

AMENDMENT LANGUAGE:

ITEM 1:

Section 7.1 would be deleted in its entirety and replaced as shown below.

Original Provision:

Section 7.1 Amendment.

This Declaration may be amended by Declarant at any time within two (2) years from the date this Declaration is filed of record with the office of the County Clerk. Within such two (2) year period, Declarant may amend the Declaration for any reason without the consent or joinder of any party or without the need to call a meeting of the Association. In addition to the foregoing, the Declaration may be amended by an instrument containing such amendment(s) and recorded in the Real Property Records of the County, provided, that (i) during the period Declarant owns at least one Lot, no such amendment shall be valid or effective without the joinder and consent of Declarant and (ii) such amendment shall first be approved by the affirmative vote or written consent of the Association's Members representing at least 67% of the votes in the Association voting, in person or by proxy, at a duly convened meeting of the Association. Furthermore, Declarant or the Board may, at its sole discretion and without a vote or the consent of any other party, modify, amend, or repeal this Declaration: (i) as necessary to bring any provision into compliance with any applicable statute, governmental rule, regulation, or judicial determination; (ii) as necessary to comply with the requirements of VA, or HUD (Federal Housing Administration), FHLMC or FNMA or any other applicable governmental agency or secondary mortgage market entity; or (iii) as necessary for clarification or to correct technical, typographical or scrivener's errors; provided, however any amendment pursuant to clause (ii) and/or (iii) immediately above must not have a material adverse effect upon any right of any Owner. Any amendment to this Declaration must be recorded in the Real Property Recorded of the County.

No amendment may remove, revoke, or modify any right or privilege of Declarant or the Class B Member without the written consent of Declarant or the Class B Member, respectively (or the assignee of such right or privilege). If an Owner consents to any amendment to this Declarant or the Bylaws, it will be conclusively presumed that the Owner has the authority to consent, and no contrary provision in any mortgage or contract between the Owner and a third party will affect the validity of such amendment.

Amended Provision:

Section 7.1 Amendment.

The Declaration may be amended by an instrument containing such amendment(s) and recorded in the Real Property Records of the County, provided, that such amendment shall first be approved by:

- (1) the affirmative vote or written consent of the Association's Members representing least sixty-seven percent (67%) of the votes in the Association voting, in person or by proxy, at a duly convened meeting of the Association; or
- (2) the affirmative vote or written consent of the Voting Delegates representing least sixty-seven percent (67%) of the votes in the Association in accordance with *Section 8.7* of the Declaration, provided, however, that at least twenty percent (20%) of the of the votes in the Association cast through direct voting rather than Voting Delegates must vote in favor of the amendment and such direct votes cast in favor of the amendment must outnumber the number of direct votes cast (without Voting Delegates) in opposition to the amendment.

Furthermore, Declarant or the Board may, at its sole discretion and without a vote or the consent of any other party, modify, amend, or repeal this Declaration: (i) as necessary to bring any provision into compliance with any applicable statute, governmental rule, regulation, or judicial determination; (ii) as necessary to comply with the requirements of VA, or HUD (Federal Housing Administration), FHLMC or FNMA or any other applicable

governmental agency or secondary mortgage market entity; or (iii) as necessary for clarification or to correct technical, typographical or scrivener's errors; provided, however, any amendment pursuant to clause (ii) and/or (iii) immediately above must not have a material adverse effect upon any right of any Owner. Any amendment to this Declaration must be recorded in the Real Property Records of the County.

No amendment may remove, revoke, or modify any right or privilege of Declarant or the Class B Member without the written consent of Declarant or the Class B Member, respectively (or the assignee of such right or privilege). If an Owner consents to any amendment to this Declaration or the Bylaws, it will be conclusively presumed that the Owner has the authority to consent, and no contrary provision in any mortgage or contract between the Owner and a third party will affect the validity of such amendment.

ITEM 2:

The following provision would be added to the Declaration as Section 8.5 entitled "Voting Delegates".

8.5 Voting Delegates. For any amendment to the Declaration, the Association uses a delegate system of voting that allows delegates to cast votes for owners who do not participate in the voting process. A representative who casts votes for an Owner in accordance with this *Section 8* is a "Voting Delegate."

At least 30 days before a vote to amend the Declaration, the Board will publish the names of the Association members who have been appointed by the Board to serve as Voting Delegates. The names and addresses of the Voting Delegates must be available to all members of the Association on request.

- a) Number. The number of Voting Delegates equals the number of Association directors, including board positions that are temporarily vacant. To illustrate, if the Association is required to have 5 directors, there will be 5 Voting Delegates. All of the Voting Delegates will be appointed by the Board as a body, and each director may veto one candidate considered for appointment. Voting Delegates serve at the pleasure of the Board and have no independent authority. The Board will also appoint 5 alternates to substitute for Voting Delegates who are unable or unwilling to serve at the appointed time. The procedures and qualifications for appointing alternates are the same as for appointing the Voting Delegates.
- b) Qualifications. To qualify as a Voting Delegate or alternate, a person must (1) be a member in good standing, (2) not currently serve as an officer, director, employee, or agent of the Association, (3) not related by blood, marriage, adoption, or household to a person currently serving as an officer, director, employee, agent, or another Voting Delegate of the Association, and (4) accept the appointment subject to the terms of this Section. If the outcome of a vote will benefit or disproportionately affect some but not all members of the Association, the Board will make an effort to balance the perspectives in its appointment of Voting Delegates and alternates.
- c) Oath. By accepting the Board's appointment, each Voting Delegate and alternate agrees: (1) to serve as a volunteer; (2) to become informed about the matter requiring a vote of members; (3) to reach an independent decision on how to vote on the matter; (4) to refrain from lobbying members or directors about the issue being voted; and (5) to be guided by what the Voting Delegate determines to be in the best interests of the Association as a whole.
- d) Replacements. If a Voting Delegate is unable or unwilling to participate at the appointed time, the Board will instruct an alternate to fulfill the responsibility of the Voting Delegate.
- e) When Used. At any meeting of the Association for which a quorum only is required to decide an issue, such as the annual election of directors, Voting Delegates will not be

used if a quorum is obtained by the participation of owners, in person or by actual proxy. Similarly, on any issue requiring a vote of owners, if the Association receives a sufficient number of votes from owners and actual proxies to decide the issue – for or against, Voting Delegates will not be used. The use of Voting Delegates is limited to decisions requiring a vote of the owners for which there is insufficient participation by the owner – in person or by actual proxy – to constitute a quorum or to decide the issue.

- f) Voting Deemed Proxies. The Association will create a record of lots for which actual proxies and/or votes have been received. If use of Voting Delegates is warranted, the remaining lots – being all lots for which the Association received neither an actual proxy or a vote – will be divided among the Voting Delegates as evenly as possible, by any method that the Board deems to be fair and expedient. The allocation among Voting Delegates may be “blind” as to the location or ownership of a lot.
- g) Exceptions & Clarifications. The following exceptions and clarifications pertain to this Section’s system of automatic Voting Delegates:
 - 1. Proxies. Nothing in this Sections may be construed to prevent a Voting Delegate from also serving as an owner’s actual proxy.
 - 2. Block Voting. The requirement that the Voting Delegate cast its votes as a block may not be construed to prevent a Voting Delegate from casting his own ballot or the actual proxy in a different manner.
 - 3. Non-Voting. An owner who does not want his lot’s vote to be cast on a matter may (1) attend the Association meeting without voting; (2) sign and return the ballot marked “Not Voting” or similar; or (3) direct the owner’s actual proxy to refrain from casting the owner’s vote. Any of these acts constitutes the owner’s affirmative participation and prevents the use of the Voting Delegate.