# Tri-County Point Property Owners Association

## Second Re-Stated By-Laws – Effective October 24, 2015

These Second Restated By-Laws of TRI-COUNTY POINT PROPERTY OWNERS ASSOCIATION, were fully adopted at a duly called Annual Meeting of the Membership held on the 24th day of October, 2015, at which meeting a quorum was present. At such Annual Meeting, it was **RESOLVED** that these Second Restated By-Laws shall be immediately effective, providing as follows:

### ARTICLE I - NAME AND LOCATION

The name of the Corporation is TRI-COUNTY POINT PROPERTY OWNERS ASSOCIATION, hereinafter referred to as "the Association" or as "the Corporation." The principal office of the Corporation shall be located at 14 County Road 480, Palacios, Texas 77465, or at such other address as may be designated from time to time by the Association's Board of Directors. Meetings of Members and/or Directors may be held at such places and times as will be designated by the Board of Directors.

### ARTICLE II – DEFINITIONS

**Section 1.** **"Association"** shall mean and refer to **TRI-COUNTY POINT PROPERTY OWNERS ASSOCIATION**, a Texas Non-Profit Corporation, its successors and assigns. The Association is the Organization referred to in the Covenants, governing the various sections of Boca Chica Development, as the "Boca Chica Property Owners Association," and may be commonly referred to as TRICOPPOA.

**Section 2.** **"Properties"** shall mean and refer to those certain properties described in the official plats and in the Declarations, Covenants, and Conditions for BOCA CHICA, Sections One (1), Two (2), Three (3), Four (4), Five (5), Six (6), Seven (7), and Eight (8), a subdivision(s) in Jackson County, Texas of record in the Office of the County Clerk of Jackson County, Texas (under Volume 618, Pages 1035 through 1050, Volume 619, Pages 451 through 467, Volume 623, Pages 197 through 210,Volume 627, Pages 1018 through 1034, Volume 648, Pages 209 through 220, Volume 667, Pages 820 through 828, Volume 667, Pages 829 through 836, and Volume 680, Pages 1052 through 1062, respectively) as well as any additional properties which may hereafter be brought within the jurisdiction of the Association.

**Section 3.** **"Common Area"** shall mean and refer to all real property owned or leased by the Association for the common use and enjoyment of its Members, and such Common Area properties may include property(ies) which were designated as "Lots" in the various maps or plats of Boca Chica Development (if so determined by the Board of Directors). In the event that the Association utilizes a Lot as a "Common Area", such property shall be restricted as a "Lot" if thereafter conveyed by the Association to any person or entity.

**Section 4.** **"Lot"** shall mean and refer to that portion of any of the plots of land shown upon any recorded Subdivision map of the Properties on which there is or may be a single family dwelling, with the exception of the Common Area(s) and designated reserves.

**Section 5.** **"Owner"** shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security of the performance of an obligation.

**Section 6.** **"Covenants"** shall mean and refer to the Declaration of Restrictions, Covenants, and Conditions for Boca Chica Subdivision per the Maps or Plats thereof, and any additions, amendments, and/or supplements thereto, as well as the Covenants for any additional Sections which may hereafter be brought (annexed into) the jurisdiction of the Association.

**Section 7.** **"Members"** shall mean and refer to all Owner(s) (defined in Section 5 above) of one or more Lots (defined in Section 4 above) in Boca Chica Subdivision. Membership shall be appurtenant to and may not be separated from ownership of one or more Lots. Whenever legal ownership of any Lot passes from one person to another, by whatever means, it shall not be necessary that any instrument provide for the transfer of Membership in the Association, such ownership being the sole qualification for Membership. Each Lot shall only qualify as one (1) Member and shall be entitled to one (1) vote, regardless of the number of individuals who share Membership of that Lot.

**Section 8.** **"Member in Good Standing" shall** mean and refer to any Member whose Membership rights have not been suspended as provided in Article XIV of these By-Laws; provided, however, that: (i) a Member's right to vote may not be suspended; and (ii) any Member may be a candidate and/or serve as a Director or Officer of the Corporation unless such Member is disqualified because of having been convicted of a felony or crime involving moral turpitude within 20 years before the date the Board is presented with the evidence of any such conviction.

**Section 9.** **"Suspended Member"** shall mean and refer to any person who is a Member of the Association whose membership has been suspended as set forth hereinafter. During any period in which a Member shall be in default in the payment of any annual or special assessment levied by the Association, or should a Member for any reason be a judgment debtor of the Association, the right to use the common facilities and Common Areas (if applicable) of such Member may be suspended by the Board of Directors until such assessment or judgment has been paid in full. Such rights of a Member may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for violation of any rule or regulation established by the Board of Directors governing the use of the Common Area and common facilities, if any.

## ARTICLE III – MEETINGS OF MEMBERS

**Section 1.** **Annual Meetings.** An annual meeting of the Membership shall be held each year at a time and location to be designated by the Board of Directors.

**Section 2.** **Special Meetings.** Special Meetings may be called by the President, or by any three (3) other Directors, or by petition signed by Members who are collectively entitled to cast at least ten percent (10%) of the total eligible Membership votes, or by petition signed by fifty (50) Members.

**Section 3.** **Notice of Meetings.** Written notice of every Membership Meeting shall be mailed, postage prepaid, to every Member at least ten (10) days, but not more than sixty (60) days, prior to the scheduled meeting. Such Notice shall state the date, time, and place of the meeting, and shall be accompanied by the agenda for the meeting. No matter, subject, item or issue which is not on the published agenda for the meeting shall be voted on at that meeting. It is the responsibility of the Members to keep the Association apprised of their current address. No meeting of the Membership held without

such notice shall be considered valid for any purpose. Notice of every Membership Meeting shall also be posted in a conspicuous location at the Association's office, and also posted on the Association's website. Relative to website notice, the notice must also be e-mailed to each Owner who has registered an e-mail address with the Association.

**Section 4. Quorum.** The presence, in person or by proxy, at a meeting of Members entitled to cast at least ten percent (10%) of the total eligible votes shall constitute a Quorum. No business may be conducted, other than to adjourn, without the presence of a Quorum. For purposes of determining a Quorum, any Member who has sent in written voting instructions on any item(s) shall be counted as being present by Proxy and the vote(s) shall be allocated for that item(s) only. For any meeting at which a Quorum is not made, the Board of Directors may, by majority vote, reconvene or adjourn that meeting in not less than thirty (30) days nor more than sixty (60) days. Relative to any such reconvened or adjourned meeting, the same notice requirements shall apply as for the original meeting, but the Quorum requirement for the reconvened or adjourned meeting shall be fifty percent (50 %) of that for the original meeting. At the sole discretion of the Board of Directors, the proxy or proxies regarding any Lots then owned by the Association may be utilized for the sole purpose of establishing a quorum at any meeting of the Membership. ***See*** Article XVIII, Section 2 of these By-Laws.

**Section 5. Proxies.** All Proxies must be written, dated, and signed by the Member entitled to cast the vote(s) represented. A Proxy will not be considered valid unless received by the Secretary of the Association prior to calling of order of the Membership Meeting at which the Proxy is to be used. The Secretary will acknowledge and issue receipts for any such Proxies received. No Proxy shall be valid for more than one (1) year. All Proxies shall be revocable and shall specify the meeting(s) or action(s) to which they apply, including whether they apply to a reconvened or adjourned meeting. General Proxies shall not be allowed.

**Section 6. Voting at Meetings.** Members are entitled to one (1) vote for each Lot owned in Boca Chica Subdivision. In the case of multiple Owners of a single Lot, they shall decide among themselves how the vote for that Lot is to be cast. No more than one vote or ballot shall be recognized for each Lot. Each Member entitled to vote may do so in person at the meeting, or by a duly registered Proxy, or by written communication to the Secretary of their intent to vote in a specific manner on a specific question on the agenda of a meeting. Such written communication shall be valid only if received by the Association prior to calling of order of the Membership Meeting at which the Proxy is to be used. The Association's Board of Directors may approve any available voting method authorized pursuant to the applicable provisions of *Chapter 209, Title 11, Texas Property Code*, including, but not limited to absentee ballots, electronic ballots and/or telefaxed ballots. Persons who receive and/or tabulate votes (or perform a recount of votes, if or when applicable) have access to ballots, and they are precluded from disclosing to any other person how an individual voted.

**Section 7. Voting For Directors.** All Members as of the date of the Annual Meeting, and prior to the commencement of the Annual Meeting, shall be eligible to vote in the election of Directors.

**Section 8. Cumulative Voting.** Cumulative voting shall not be allowed.

**Section 9. Minutes.** Written minutes of each meeting of the Association Board or Association Membership shall be filed with the Secretary of the Association within ten (10) days after the meeting.

Members may request a copy of the minutes by sending or delivering in person a self-addressed large envelope bearing appropriate postage and a written request for a copy of the minutes; provided, however, that the minutes are not formal or official records of the Association until such time as they have been approved by the Board or Membership, as applicable.

## ARTICLE IV – BOARD OF DIRECTORS

**Section 1. The Board of Directors.** The affairs of the Association shall be managed by a Board of Directors comprised of five (5) Members, none of whom may reside with any other Director, or be a sibling, parent, or child of any other Director. Once installed, Directors shall serve until a successor Director is duly elected and installed. Such Board positions shall be as follows: a) Position One (1) - this Director shall serve as the Association's President; b) Position Two (2) - this Director shall serve as the Association's Vice-President; c) Position Three (3) - this Director shall serve as the Association's Secretary; d) Position Four (4) - this Director shall serve as the Association's Treasurer; and e) Position Five (5) - this Director shall serve as a Director.

**Section 2. Term of Office.** With the exception of the year 2001 annual meeting/election, each Director shall be elected for a term of three (3) years. Terms shall be staggered so that normally one (1) Director shall be elected each year. At the year 2001 annual meeting/election: 1) the Position One (1) Director, who shall serve as the Association's President, shall be elected for a term of three (3) years; 2) the Position Two (2) Director, who shall serve as the Association's Vice-President, shall be elected for a term of two (2) years; and 3) the Position Three (3) Director, who shall serve as the Association's Secretary, shall be elected for a term of one (1) year. The person receiving the largest number of votes for each such Position, respectively, shall be elected to fill that position. Commencing with the year 2016 Annual Meeting of Members, all five (5) Board/Officer positions shall be elected for a term of three (3) years with three staggered election cycles, as follows: (i) the Position One (1) Director shall be elected in the first three year election cycle; (ii) the Position Two (2) Director and the Position Three (3) Director shall be elected the following year in the second three year election cycle; and (iii) the Position Four (4) Director and the Position Five (5) Director shall be elected the next year in the third three year election cycle.

**Section 3. Removal of Director.** A Director may also be removed from office by a two-thirds (2/3) majority vote of the Members present in person or by Proxy at a Special Meeting called for that purpose. **See** also Article VI (d) of these By-Laws.

**Section 4. Vacancies.** If a Director position becomes vacant due to death, disability or resignation, the remaining Directors shall appoint a replacement Director to serve the remaining term of such vacant Board position. If a Director position becomes vacant due to removal, the replacement Director shall be elected by the Members. Such replacement Director must meet all normal qualifications to serve as a Director.

**Section 5. Nomination of Directors.** Prior to the Annual Meeting of the Membership, any Member desiring nomination may file his or her name in nomination with the Secretary on or before sixty (60) days prior to the date of the Annual Meeting. Nominations may not be made from the floor at the Annual Meeting. The Association shall solicit candidates for election to the Board (by providing at least 10 days notice before disseminating ballots) and list all interested candidates on the absentee ballot; and

the notice must be: (1) mailed to each owner; or (2) provided by: (a) posting the notice in a conspicuous manner reasonably designed to provide notice to association Members: (i) in a place located on the Association's common property; or (ii) on any Internet website maintained by the Association or other Internet media; and (b) sending the notice by e-mail to each owner who has registered an e-mail address with the Association.

**Section 6. Election of Directors.** Any Member who desires to seek election to the Board of Directors shall provide to the Association's Secretary, on or before sixty (60) days prior to the date of the Annual Meeting, the following:

1. A written statement of intention to seek the position of Director (required); and

2. A short (no more that one side of one 8 ½" by 11" page) biography and a statement of qualifications (optional). (**NOTE:** Items "1" and "2" may be combined on a single document, and neither of such documents need be signed. Such document(s) may be delivered, mailed, e-mailed or telafaxed to the Association).

The election of a Director(s), in accordance with Section 2 of this Article, shall take place at the Annual Membership Meeting. A Member may vote by mailing in a Proxy/Ballot to the Association or, alternatively, by being present in person or by proxy at the Annual Membership Meeting. Members may vote by completing a Proxy/Ballot (designating for whom they would like to vote) and mailing such Proxy/Ballot back to the Association (at its designated address listed thereon) so that it is received at least seven (7) days before the Annual Membership Meeting. Only the Association's official Proxy/Ballot form (for use by mail), as well as the Association's official Proxy form (for use by designating a proxy holder to attend the Annual Membership Meeting on behalf of such Member), may be used. Any Proxy/Ballots not received by the Association before the Annual Membership Meeting, as well as any Proxy/Ballots or Proxies not utilizing the Association's official form(s), shall be deemed null and void. Proxy/Ballots received by the Association shall be placed in a lock box, which lock box shall be opened and the votes therein tabulated at the Annual Membership Meeting. Members present in person, or Members present by proxy, at the Annual Membership Meeting, may cast their votes by written and signed ballot at the Annual Meeting of the Membership. At the Annual Membership Meeting, the Board of Directors shall appoint a committee of at least three (3) Members from the audience to serve as an election committee to tabulate all votes and to report the election results to the Membership in attendance. The election results shall be announced, including the number of ballots cast for each candidate, segregated between the ballots cast by mail, by those present in person and by those present by proxy, at the annual meeting. The candidate receiving the largest number of votes cast for that Board position is elected. Persons who tabulate votes (or perform a recount of votes, if or when applicable) have access to ballots, and they are precluded from disclosing to any other person how an individual voted.

**Section 7. Compensation of Directors.** No Director shall receive any compensation as a result of services provided to the Association; provided, however, that Directors may be reimbursed for reasonable actual documented expenses incurred on behalf of the Association.

**Section 8. Association Staff.** The Board of Directors is authorized to hire a Manager and such other staff members as may be appropriate to run the day-to-day business of the Association, subject to Board instruction.

## ARTICLE V - MEETINGS OF DIRECTORS

**Section 1. Regular Meetings**. Regular meetings of the Board of Directors shall be held at least four (4) times per annum at such place and hour as may be fixed from time to time by the President or by at least three (3) members of the Board, after at least three (3) days notice to each Director.

**Section 2. Special Meetings.** Special meetings of the Board of Directors shall be held when called by the President of the Association or by any three (3) Directors after at least three (3) days notice to each Director.

**Section 3. Open Board Meetings.** Meetings of Directors are open to Members, and there must be at least 72 hours advance notice to Owners regarding the date, time and location of Board meetings (except for certain matters allowed for executive sessions and other forums, subject to statutory compliance). Such notice must be posted in a conspicuous manner on Common Area property or on private property with the owner's permission and on the Association's website. Relative to website notice, the notice must also be e-mailed to each Owner who has registered an e-mail address with the Association. Matters for executive session include: actions involving personnel; pending or threatened litigation; contract negotiations; enforcement actions; confidential communications with the Association's attorney; matters involving invasion of privacy of Owners; and other matters that are confidential by request of an affected party and agreement of the Board. Executive session minutes must be kept (in general terms) and include an explanation of approved expenditures, if any. The Board may take action on the following matters only in an open meeting for which prior notice was given to the Owners, as follows: (1) fines; (2) damage assessments; (3) initiation of foreclosure actions; (4) initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety; (5) increases in assessments; (6) levying of special assessments; (7) appeals from a denial of architectural control approval; (8) a suspension of a right of a particular Owner before the Owner has an opportunity to attend a board meeting to present the Owner's position, including any defense, on the issue; (9) lending or borrowing money; (10) the adoption or amendment of a dedicatory instrument; (11) the approval of an annual budget or the approval of an amendment of an annual budget that increases the budget by more than 10 percent; (12) the sale or purchase of real property; (13) the filling of a vacancy on the Board; (14) the construction of capital improvements other than the repair, replacement, or enhancement of existing capital improvements; or (15) the election of an officer.

**Section 4. 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 at least three (3) of the Directors present at a duly held meeting shall be regarded as the act of the Board.

**Section 5. Action Without a Meeting (Unanimous Consent).** Any action which may be required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing setting forth the action so taken is signed by all of the Members of the Board of Directors. Such consent shall be placed in the minute book of the Association with the minutes of the Board of Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

## ARTICLE VI - POWERS OF THE BOARD OF DIRECTORS

**Section 1. Powers.** The Board of Directors shall have the following rights and powers:

(a) To adopt and publish rules and regulations governing the use of the Common Areas and recreational facilities and the personal conduct of the Members, their Delegates and their Guests, thereon, and to establish penalties for the infraction thereof;

(b) Subject to the applicable provisions of *Chapter 209, Title 11, Texas Property Code*, automatically suspend all rights of a Member regarding access to and use of Common Areas during any period in which such Member shall be in default in the payment of any assessment, fees, charges or judgment levied by the Association. Such rights regarding access to and use of Common Areas may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for infraction of published rules or regulations regarding use of a Common Area. A Member's right to vote may not be suspended;

(c) To exercise for the Association all powers, duties and authority vested in or designated to this Association and not reserved to the Membership by other provision(s) of these By-Laws, the Articles of Incorporation or the Covenants;

(d) To declare the office of a Member of the Board of Directors to be vacant in the event such Member shall be absent from three (3) consecutive meetings of the Board of Directors and advise such removed Board Member in writing of such action;

(e) To employ staff, a manager, an independent contractor, or such other employees or contractors as it deems necessary, and to prescribe their duties and the terms of employment; and

(f) To exercise such other rights and powers granted under the Covenants, the Articles of Incorporation or these By-Laws.

**Section 2. Duties.** It shall be the duty of the Board of Directors to:

(a) Cause to be kept a complete record (i.e., minutes) of all its acts and corporate affairs and to present a financial statement to the Members at the Annual Meeting of the Members, or at any special meeting of the Membership when such statement is requested in writing by at least ten percent (10%) of the Members in Good Standing;

(b) Supervise all officers, agents, and employees of this Association and to see that their duties are properly performed;

(c) As more fully provided in the Covenants, to:

(1) Fix the amount of the annual assessment against properties subject to the jurisdiction of the Association (not to exceed the then current maximum annual assessment) at least thirty (30) days in advance of each annual assessment period, and take such actions as it deems appropriate to collect such assessments and to enforce the liens given to secure payment thereof; and

(2) Send at least thirty (30) days written notice of each assessment to every Owner subject thereto in advance of each annual assessment period;

(d) Issue, or cause an appropriate officer to issue, upon demand by any person, a statement setting forth whether or not any assessment has been paid. The Board of Directors may make a reasonable charge for issuance of these statements. If such statement indicates that an assessment has been paid, it shall be conclusive evidence of such payment. Further, the Board of Directors may impose a "transfer fee" (in a reasonable amount) relative to the conveyance of any Lot within the Subdivision(s) for the purpose of offsetting the Association's administrative costs. The amount of any such transfer fee is within the discretion of the Board of Directors.

(e) Procure and maintain such liability and hazard insurance as deemed appropriate on any property or facilities owned or maintained by the Association;

(f) Cause all officers or employees having fiscal responsibilities to be bonded, as deemed appropriate; and procure and maintain Director and Officer Liability Insurance.

(g) Cause the preparation of an annual budget, and a statement of income and expenditures to be presented to the Membership at its regular annual meeting, and shall make same available to each Member of the Association.

(h) Cause the Common Area(s) to be maintained in a safe, satisfactory, and usable condition, these areas to include, but not be limited to: Boat Ramp, Fishing Pier, Pool and Bath House.

(i) Cause to be maintained in a safe, satisfactory, and usable condition, the water and sewer system owned and operated by the Association.

(j) Subject to applicable Texas law and governmental regulations, fix the amount of the water installation/connection charges, the amount of the water bills/charges and the amount of any related fees or charges regarding the water and sewer system owned and operated by the Association.

(k) Cause to be maintained in a safe, satisfactory, and usable condition, all equipment and buildings owned by the Association.

## ARTICLE VII - OFFICERS AND THEIR DUTIES

**Section 1. Enumeration of Officers.** The officers of this Association shall be a President, a Vice-President, a Secretary and a Treasurer. The President, Vice-President, Secretary and Treasurer shall at all times be Members of the Board of Directors. However, the Board may from time to time designate other officers by resolution (e.g., an Assistant Secretary). All officers shall be Members.

**Section 2. Election of Officers**. As provided in Article IV, Sections 1 and 2 above, Officer elections shall take place at the Annual Membership Meeting each year.

**Section 3. Term of Office.** Each officer shall hold office for a term of three (3) years, or until a successor officer shall be elected and installed.

**Section 4. Special Appointments.** The Board may appoint 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 5. Resignation and Removal.** As provided in Article IV, Section 3 above, any officer may be removed from office by a majority vote of the Members at a special called meeting of the Membership (at which meeting a quorum is present). 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 6. Vacancies.** A Vacancy in any office shall be filled by appointment by a majority vote of the remaining directors/officers. The officer appointed to such vacancy shall serve for the remainder of the term of the officer replaced.

**Section 7. Multiple Offices.** Special offices created pursuant to Section 4 of this Article, may be combined with any office except President.

**Section 8. Duties.** The duties of the officers of the Association are as follows:

**President:**

a. The President shall preside over all meetings of the Board of Directors and Membership, deciding all questions of procedure and order.

b. The President shall sign all approved written instruments of the Association, including, but not limited to contracts, leases, deeds, and mortgages, at the direction of the Board.

c. The President shall formulate goals and plans for the year and present them to the Board of Directors or the Membership, as appropriate, for approval.

d. The President shall execute all orders, resolutions, and motions duly passed by the Board of Directors and/or the Membership, as the case may be.

e. The President shall serve as an Ex-Officio Member of all committees.

**Vice-President:**

The Vice-President shall act in the place and stead of the President in the event of the President's absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required by the Board of Directors.

**Secretary:**

a. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members and submit all minutes at subsequent meetings for approval.

b. The Secretary shall serve notice of meetings of the Board of Directors and of the Membership.

c. The Secretary shall keep appropriate current records showing the Members of the Association together with their addresses.

d. The Secretary shall perform such other duties as required by the Board of Directors.

**Treasurer:**

a. The Treasurer shall be responsible for maintaining the records of financial accounts of the Association.

b. The Treasurer shall be responsible for depositing receipts into a federally insured account and disbursing expenses of the Association as directed by the Board of Directors.

c. The Treasurer shall be responsible for maintaining a record of physical assets of the Association that are currently in use and shall notify the Board of any change in status.

d. The Treasurer shall be responsible for maintaining a secure depository for fiscal assets when not in use. The Board must approve any depository.

e. The Treasurer shall be responsible for preparation of legal returns required by taxing authorities.

## ARTICLE VIII - COMMITTEES

**Section 1. Committee Appointments**. At its discretion, the Board of Directors may appoint committees, as provided in the Covenants and these By-Laws, as deemed appropriate for carrying out its purposes. These committees may include, but are not limited to:

a) Control Committee - as provided in the Deed Restrictions.

b) Recreation Committee - to advise the Board of Directors on all matters pertaining to the recreational program and activities of the Association and to perform such functions as the Board in its discretion determines.

c) Maintenance Committee - to advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Properties, and to perform such other functions as the Board in its discretion determines.

d) Publicity Committee - to inform the Members of all activities and functions of the Association and, after consulting with the Board of Directors, to make such public releases and announcements as are in the best interest of the Association.

**Section 2. Function of Committees.** It shall be a function of each committee to respond to inquiries from Members on any matter involving Association duties and activities within its field of

responsibility. The committee shall handle such inquiries or refer them to the appropriate committee, Director or Officer of the Association.

**Section 3. Reports.** All committees appointed by the Board are required to keep written records of their proceedings and make regular reports as required by the Board.

**Section 4. Tenure**. Any committee shall serve until its purpose has been accomplished or until dissolved by the Board, whichever occurs first. Any committee Member may be removed at any time, with or without cause, by a majority vote of the Directors.

**Section 5. Control Committee**. The Restrictions for each Section provide that the rights and authority of the Control Committee (the "Committee") are vested in the Board of Directors of the Association. Subject to the advance approval of the Committee, any Owner(s) of two (2) adjoining Lots may consolidate such two (2) adjoining Lots into one building site (i.e., a "composite building site") with the privilege of placing or constructing improvements on such resulting site, in which case the side setback lines shall be measured from the resulting side property lines rather than from the Lot lines as indicated on the Plat. Any such resulting building site must have a frontage at the building setback lines of not less than the minimum frontage of the Lots in the same block. Further, such composite building site and the owner(s) thereof shall continue to be obligated to pay full annual and/or special assessments for each of the two (2) adjoining platted Lots, and the approval of such a composite building site shall not affect the Association's continuing assessment lien applicable to the two (2) adjoining platted Lots. If the Committee approves a composite building site, the Committee may evidence such approval, and grant its permission for such composite building site, only by written instrument. Any request for a composite building site shall be deemed to have been denied in the event of either (a) written notice of denial from the Committee; or (b) failure by the Committee to respond to the request for composite building site. No composite building site(s) shall be permitted or allowed except at the discretion of the Committee. The approval of any composite building site by the Committee shall not affect in any way an owner's obligation to comply with all governmental laws and regulations affecting the Lot and the Plat. No approval of a composite building site and/or plans and specifications and no publication or designation of architectural standards by the Committee shall ever be construed as representing or implying that such composite building site, plans, specifications and/or standards will result in a properly designed structure or satisfy any legal requirements. Any Committee approval given is specifically limited to those matters expressly enumerated in the applicable Restrictions governing the Subdivision. It is the property owner(s) sole responsibility to obtain any and/or all applicable waivers and/or consents from utility companies, governmental entities and/or other interested parties. The Association and/or the Committee, as well as any and all representatives of each, are not liable or responsible in any manner regarding the ramifications, impact or result of any Committee approval, including, but not limited to: 1) adherence with Federal, State, County, Municipal or local laws, statutes, codes, licensing requirements, guidelines, ordinances, inspection and/or permit requirements, rules or regulations; 2) injury or damage to persons or property; 3) quality of construction; 4) fitness for the intended purpose; 5) structural integrity; 6) adequacy of construction; 7) location with respect to easements and/or compliance with the requirements, standards or guidelines of easement holders (e.g., Utilities); and/or 8) impact on the value of the homeowner's property or any other property and/or any other alleged financial loss asserted by any person or entity whatsoever. The property owner(s) assume(s) all risks affiliated with any Committee approved construction. Any Committee approval given is provided without any representations or warranties of any nature whether express or implied.

## ARTICLE IX - INDEMNIFICATION OF DIRECTORS AND OFFICERS

Pursuant to the *applicable provision(s) of the Texas Business Organizations Code*, and subject to the provisions thereof, the Corporation may indemnify any Director or Officer (or former ones) for expenses and cost, including attorney's fees, which are actually and necessarily incurred in connection with any claim asserted by reason of being or having been a Director or officer only if it is determined that the person's actions were conducted in good faith and were reasonably believed to be in the Corporation's best interest relative to conduct in any official capacity and that, in all other cases, the conduct was at least not opposed to the Corporation's best interest. In regard to criminal proceedings, the Corporation must find that there was no reasonable cause to believe the conduct was unlawful. The intent of this By-Law provision is to allow the Corporation, by majority vote of its Board of Directors, to indemnify its Directors and officers to the maximum extent allowed by law without the necessity of a vote of the Membership.

Further, the Board of Directors shall purchase and maintain insurance against any liability whether or not the Corporation has the power to indemnify against that liability, to the extent that the majority of the Board feels that such insurance is reasonable and necessary.

## ARTICLE X - BOOKS AND RECORDS

Upon reasonable written notice stating the specific purpose of the demand to the Secretary of the Association, and subject to the demand being deemed proper pursuant to *applicable provision(s) of the Texas Business Organizations Code* and *Chapter 209, Title 11, Texas Property Code*, the specific books, records and papers of the Association (as outlined in the written demand) shall, during reasonable business hours, be subject to inspection and copying (at a reasonable cost to the Member) by any Member or Member's agent, accountant, or attorney. In this regard, the Board of Directors shall provide for review and copying of the Corporation's books, records and papers, within the scope of the request, reasonably calculated to satisfy the purpose of the request; provided, however, that the Board may exercise its discretion whether to release information of a confidential or privileged nature (pertaining to the details of another Member's assessment payment history, the details of another Member's deed restriction compliance history, or as provided in the *Texas Rules of Evidence*, as the case may be) which information is not, in the opinion of the majority of the Board, necessary to satisfy the purpose of the request. The Covenants, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at a convenient location to be designated by the Board of Directors, where copies thereof may be purchased by any Member at a reasonable cost to the Member. Pursuant to the applicable provisions of *Chapter 209, Title 11, Texas Property Code*, the Association's Records Retention Policy and Records Production Policy (both of which are subject to future amendment and/or supplementation) have been recorded in the Public Records of Real Property of Jackson County, Texas.

## ARTICLE XI - CHECKS AND DISBURSEMENTS

Each check issued upon the regular account of the Association must have at least two (2) authorized signatures, one of which must be a Director or other authorized Delegate of the Association. No check shall ever be pre-signed in blank by any agent, Officer, or Director authorized to sign checks. The Board of Directors is authorized, by resolution, to designate the authorized signatures for withdrawal of funds. No funds belonging to the Association may ever be disbursed without the specific approval of a duly authorized Director. Notwithstanding the foregoing, the Board of Directors may pass a resolution

providing that the Association's payroll checks to Association employees and/or payment to utility operators may be signed by a single Director.

## ARTICLE XII - ASSESSMENTS

As more fully described in the Covenants, each Member is obligated to pay to the Association annual assessments which are secured by a continuing lien upon the property against which the assessment is made. The annual assessment shall be due January 1st and delinquent if not paid by March 1st of the same year. The assessment shall bear interest from the date of delinquency and the Association may bring an action at law against the Owner personally obligated to pay the same and/or foreclose the lien against the property. Interest, cost and reasonable attorney's fees for 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 Area(s) or services provided by the Association or by abandonment of a Lot.

## ARTICLE XIII - PROPERTY RIGHTS: RIGHTS OF ENJOYMENT

Each Member shall be entitled to the use and enjoyment of the Common Area(s) and recreational facilities owned or leased by the Association. Any Member may delegate (relinquish) in writing his rights of enjoyment of the Common Area(s) and recreational facilities to the person of his choice. Such Member shall notify the Secretary in writing of the name of any such delegate. The rights and privileges of such delegates are subject to the rules and regulations, By-Laws, Articles of Incorporation and Covenants of the Association to the same extent as the Member.

## ARTICLE XIV – SUSPENSION OF MEMBERSHIP RIGHTS

**Section 1. Causes for Suspension.** Membership rights regarding access to and use of Common Areas may be suspended for failure to fulfill financial obligations to the Association, or for failure to comply with Association Rules and Regulations. A Member's right to vote may not be suspended.

**Section 2. Procedures.**

a) In the case of a Member who fails to remain current in payment of financial obligations to the Association, suspension shall be automatic and shall occur as soon as the Member is more than 30 days delinquent in payment. Restoration of Membership rights regarding access to and use of Common Areas is also automatic, and shall occur as soon as the Member pays any past due obligations together with interest and appropriate processing and delinquency fees imposed by the Association.

b) In the case of a Member failing to comply with Association Rules and Regulations, a suspension of Membership rights may be imposed by the Association Manager for up to sixty (60) days. The Manager's decision may be appealed by the Member, but only in writing to the Board of Directors within seven (7) days. If the decision is appealed by the Member, the suspension shall not commence until a hearing before the Board of Directors, which shall be held within 15 days of the filing of the appeal by the Member.

## ARTICLE XV - AMENDMENTS

These By-Laws may be amended by a two-thirds (2/3) majority vote of Members present in person or by Proxy at a meeting called for that purpose. The quorum requirement for the purpose of amending these By-Laws shall be not less than fifty Members in Good Standing, present in person or by proxy who together are entitled to cast not less than twenty percent (20%) of the total eligible votes. The vote shall be taken by written ballot. Members who have sent in written voting instructions shall be considered as present by Proxy for this purpose. All Members must be mailed a notice of the proposal to amend the By-Laws, a copy of the proposed amendment(s), and an explanation of the reason for the amendment(s)not less than ten (10) days nor more than sixty (60) days before a vote is taken. The above referenced information/explanation shall accompany the notice of meeting required by Article III, Section 3 of these By-Laws.

Notwithstanding the foregoing, these By-Laws may be amended by a unanimous vote of the Board of Directors (without a vote of the Membership) for the purpose of complying with mandatory Texas statutory law. Pursuant to Article V, Section 3 above, any such Board vote must be taken only in an open meeting for which prior notice was given to the Owners.

## ARTICLE XVI – CONFLICTS WITH OTHER DOCUMENTS

In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control. In the case of any conflict between the Covenants and these By-Laws, the Covenants shall control.

## ARTICLE XVII - GENDER AND GRAMMAR

The singular wherever used herein shall be construed to mean the plural when applicable, and the use of either gender shall be construed to mean both where applicable.

## ARTICLE XVIII - MISCELLANEOUS

**Section 1. Fiscal Year.** The fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December of every year.

**Section 2. Lots Owned by Association.** As referenced in Article III, Section 4 of these By-Laws, Lots owned by the Association may be counted only for Quorum purposes as Members present by proxy at any Annual or Special Meeting of the Membership, and neither the Board nor any other person or entity shall otherwise exercise votes for those Lots. Further, Lots owned by the Association are exempt from the payment of annual or special assessments, fees, dues or charges, only for so long as they are owned by the Association.

**Section 3. Audit of Books and Records.** At least once every three (3) years the Board of Directors shall provide for an independent audit of the books and records of the Association.

**IN WITNESS WHEREOF,** we, being all the Directors of TRI-COUNTY POINT PROPERTY OWNERS ASSOCIATION, have hereunto set our hands on this the ___ day of _____, 2015.

| | | |
|---|---|---|
| **President and Director** | **Vice-President and Director** | **Secretary and Director** |
| **Treasurer and Director** | **Director** | |

## CERTIFICATION

I, the undersigned, do hereby certify:

**THAT** I am the duly elected and acting Secretary of the TRI-COUNTY POINT PROPERTY OWNERS ASSOCIATION, a Texas Non-Profit Corporation, and,

**THAT** the foregoing By-Laws constitute the Second Restated By-Laws of said Association, as fully adopted at a duly called Annual Meeting of the Members, held on the 24th day of October, 2015.

**IN WITNESS WHEREOF,** I have hereunto subscribed my name on this the ___ day of _____, 2015.

_____
**SECRETARY**
**Printed Name:**_____