

SUMMARY OF AMENDMENTS TO THE BYLAWS

- Page 1
- Added a definition of “Member in Good Standing”; existing Bylaws merely make references to owners who owe past due assessments or have a deed restriction violation being prosecuted in legal proceedings.
- Page 2
- Revised the section relating to notice of members’ meetings to include notice by facsimile and electronic message, as well as other methods that may become available with advancements in technology; the existing Bylaws merely provide for notice by mail or delivery.
 - Revised the section relating to adjourning and reconvening a members’ meeting to specify the notice required for a reconvened meeting.
- Page 3
- Revised the section relating to voting by members to be consistent with the definition of Member in Good Standing and to allow voting via e-mail if/when authorized by statute.
 - Revised the section relating to voting by proxy to be consistent with the definition of Member in Good Standing.
- Page 4
- Revised the section relating to the quorum requirement for members’ meetings to clarify that only Members in Good Standing are counted for quorum purposes.
 - Added a section authorizing action by the members without a meeting consistent with the Texas Non-Profit Corporation Act (but, as a practical matter, it is not likely that action will ever be taken by the members without a meeting given the number of members in the Association).
 - Revised the section relating to the Board of Directors to require a Director at all times be a Member in Good Standing; to prohibit more than 1 representative of a corporation or other business entity from serving on the Board at any given time; and to prohibit persons who are married or blood related from serving on the Board at any given time. The existing Bylaws merely refer to spouses and designated agents of members.
- Page 5
- Revised the section relating to the nomination of Directors to require members of the Nominating Committee to be Members in Good Standing; to require the appointment of members of the Nominating Committee at least 90 days prior to the date of the annual meeting; and to provide that members of the Nominating Committee shall serve until the close of the annual meeting for which nominations were made. To also require a candidate for election to the Board to be a Member in Good Standing.
- Page 7
- Revised the section relating to the removal of Directors to address the circumstances in which a Director ceases to be a Member in Good Standing or becomes related to another Director by marriage. Also authorizes the removal of a Director who fails, without just cause, to attend three (3) consecutive regularly scheduled meetings.

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- Page 8
- Revised the section relating to the election of Directors to specify that only Members in Good Standing are allowed to vote.
 - Deleted the section relating to the organizational meeting of the Board of Directors after each annual election.
- Page 9
- Revised the section relating to regular meetings of the Board of Directors to allow conference telephone, video conferencing and the like, consistent with the Texas Non-Profit Corporation Act.
 - Revised the section relating to special meetings of the Board to allow notice by e-mail if/when authorized by statute.
- Page 10
- Revised the section relating to the quorum requirement for Board meetings to specify the notice required for a reconvened meeting and to specify that only Directors who are Members in Good Standing may vote at a meeting.
- Page 11
- Revised the section relating to open meetings to authorize the removal of a member who unreasonably disrupts a Board meeting after a warning.
 - Revised the section relating to meetings of the Board held in executive session to add matters that may be considered in executive session.
- Page 13
- Revised the section relating to the powers of the Board of Directors to allow the Association to charge a reasonable fee for providing assessment information and a reasonable transfer fee; also authorizes the adoption of policies and procedures relating to the Board, staff and volunteers.
- Page 14
- Revised the section relating to borrowing to base the existing \$10,000.00 cap on the CPI scale applicable in 1982; to increase the quorum requirement for a meeting to approve a loan in excess of \$10,000.00 or a loan that requires selling or encumbering common area to 20% of the Members in Good Standing; to limit voting on a loan to modify, improve or add amenities maintained through a recreation assessment to Members in Good Standing who are obligated pay the recreational assessment and to provide that the lesser quorum requirement for a reconvened meeting shall not be applicable; and to impose an overall cap on borrowing.
- Page 15
- Revised the section relating to the sanctions procedure to comply with the requirements set forth in the Texas Property Code and to authorize the Executive Director to waive or reduce fines unless the owner appealed the matter to the Board of Directors and the Board made a decision concerning the amount of fines to be paid by the owner.
- Page 21
- Revised the section relating to the inspection of books and records to limit the right of inspection to Members in Good Standing; to allow the Board to establish rules limiting or restricting the review of confidential and privileged records; and to provide that the Association shall not be required to bear the expense of providing more than 1 copy of a document to a Director.

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Page 22

- Revised the section relating to audits to clarify the wording and to allow the Members in Good Standing, by majority vote, to require an additional audit at the expense of the Association.
- Revised the section relating to amendment of the Bylaws to provide that only Members in Good Standing shall be entitled to vote on amendments.