

**TWIN HARBORS ON LAKE LIVINGSTON
PROPERTY OWNERS ASSOCIATION
AMENDED BYLAWS (Seventh)**

DEFINITION OF TERMS

Association shall mean the Twin Harbors on Lake Livingston Property Owners Association (THPOA), A property owners association incorporated under the non-profit corporations laws of Texas, Articles of Incorporation for which were filed with the Texas Secretary of State February 21, 1978; whose members are as defined herein.

Board means the governing body of the Twin Harbors on Lake Livingston Property Owners Association (THPOA).

Charge, Fee, Dues or Fine shall mean any maintenance fee, assessment, regular assessment, special assessment or other amount a Member is required to pay to the association.

Common Area or Common Areas shall mean all real property owned or maintained by the Association for the common use and enjoyment of the Owners.

Declaration shall mean the instrument filed in the real property records of a county that includes restrictive covenants governing the Association, which instruments include but are not limited to the following: (1) Restrictions for Section 1, dated October 26, 1976, recorded at Volume 322, page 757, et seq, Deed Records of Polk County, Texas; (2) Restrictions for Sections II thru V, dated October 26, 1976, recorded at Volume 322, page 762, et seq, Deed Records of Polk County, Texas; (3) "First Amended Deed Restrictions" August 17, 1978, recorded at Volume 349, page 850, et seq, Deed Records of Polk County, Texas; (4) Restrictions for Reserve 2, Section IV, dated August 15, 1979, recorded at Volume 368, page 339, et seq, Deed Records of Polk County, Texas; (5) Restrictions for Reserve 3, Section IV, dated August 15, 1979, recorded at Volume 368, page 345, et seq, Deed Records of Polk County, Texas; and (6) Restrictions for Reserve 1, Section IV, (The Point), dated September 3, 1980, recorded at Volume 384, page 318, Deed Records of Polk County, Texas.

Dedicatory Instrument shall mean each instrument governing the establishment, maintenance, and operation of THPOA, and includes a declaration or similar instrument subjecting real property to restrictive covenants, bylaws, or similar instruments governing the administration or operation of a property owners association, to properly adopted rules and regulations of the property owners' association, or to all lawful amendments to the covenants, bylaws, instruments, rules, or regulations, including but not limited to those identified above under "Declaration".

Lot shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of Common Areas and Reserves that have not been divided into lots.

Member shall mean any person, persons or legal entity, such as a trust, which owns a Lot, Lots, or Reserve in Twin Harbors on Lake Livingston, all such Members being herein collectively referred to as "the Membership."

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

Property or Properties shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Regular Assessment shall mean the annual amount that each owner of property within a residential subdivision is required to pay to the Association, which is designated for use by the Association for the benefit of Twin Harbors on Lake Livingston as provided by the Deed Restrictions.

Special Assessment shall mean any club member fee and/or due, other than a regular assessment, that each Member is required to pay to the Association, as authorized by Article VI of the Articles of incorporation which authorizes the Association to charge for:

- Defraying, in whole or in part, the cost, whether incurred before or after the assessment, of any construction or reconstruction, repair, or replacement of a capital improvement in the Common Areas owned by the Association, including the necessary fixtures and personal property related to such Common Areas, to the extent such expense is not sufficiently provided for with Regular Assessment funds;
- Maintenance and improvement of Common Areas owned by the Association;
- Such other purposes of the property owners' association as stated in its Articles of Incorporation or the dedicatory instrument for Twin Harbors on Lake Livingston.

The THPOA Facilities Committee Policies, Procedures and Guidelines [FCPP&G] shall mean those policies, procedures and guidelines as established by the Board, which set forth the procedures that guide the activities of the Facilities Committee to maintain the Property of the Association. Such policies, procedures and guidelines shall be kept among the records of the Association and may be amended by the Board from time to time as necessary to facilitate the right and obligations of the Facilities Committee.

Twin Harbors on Lake Livingston shall mean the Twin Harbors on Lake Livingston residential subdivision in Polk County, Texas, and shall include all Lots, Common Areas, Reserves, facilities, and capital improvements located therein.

ARTICLE I: OWNERS ASSOCIATION: GENERAL IDENTIFICATION

1.01 Association Name. The name of the Association is Twin Harbors on Lake Livingston Property Owners Association, Inc. The Association, as a non-profit corporation organized under the provisions of the Texas Non-Profit Corporation Act, shall have and continuously maintain in the State of Texas a registered office and a registered agent, whose office is identical with such registered office, as required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be, identical with the principal office of the Association in the State of Texas, and the Officers may change the address of the registered office from time to time.

1.02 Association Purpose. The primary and specific purpose for which the Association is formed is to act as a property owners association, as defined by the Texas Property Code, concerned with the preservation and improvement of the streets, drainage facilities, community law enforcement and property security, community recreational facilities, street lighting and other community structures and services commonly enjoyed by Owners of Lots and Reserves in Twin Harbors on Lake Livingston, Texas, for the protection of the subdivision against violation of restrictive covenants, and promotion of the public interest of such area. Property Owners are responsible for all matters pertaining to the maintenance of their individual Lot(s) and Reserves.

1.03 Association Powers. The general purposes and powers of the Association are:

- Subject to the provisions of Part Four of the Texas Miscellaneous Corporation Laws Act, to purchase, lease, or otherwise acquire, improve, construct, own, hold, use, maintain, operate, exchange, mortgage and encumber, sell convey, or otherwise dispose of, real and personal property of every kind, nature or description, as may be necessary or desirable to promote the primary purpose of the Association.
- Subject to the provisions of Part Four of the Texas Miscellaneous Corporation Laws Act, to make and perform contracts of every kind for any lawful purpose without limit as to amount with any person, firm, association, corporation, municipality, state, government, or municipal or political subdivision.
- To have and exercise all the rights and powers conferred on non-profit corporations under the Texas Non-Profit Corporation Act, as such law is now in effect or may at any time hereafter be amended.
- To do all other acts necessary or expedient for the administration of the affairs and attainment of the purposes of the Association.
- Notwithstanding any of the foregoing statements or purposes and powers, this Association shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purpose of this Association as set forth within, and nothing contained in the foregoing statements or purposes shall be construed to authorize the Association to carry on any activity for the profit of its Members, or to distribute any gains, profits or dividends to its Members as such.

1.04 *Officers Powers.* The Officers shall have the power:

- To adopt and publish rules and regulations governing the use of the Common Areas and facilities located within the Subdivision, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- To exercise for the Association all power, duties and authority vested in or delegated to this Association and not reserved to the Membership by other provision of these Bylaws, the Articles of Incorporation or the Restrictions;
- To establish, and disburse and maintain such petty cash fund as necessary for efficiently carrying on the business of the Association, and to delegate such duties to the Officers of the Association as are necessary to effectuate this provision; and
- To engage the services of a manager, independent contractors, or such employees as it deems necessary, and to prescribe the conditions, compensation and duties of their work. Such power shall include authority to enter into management agreements with other parties to manage, operate or perform all or any part of the affairs and business of the Association.

1.05 *Board powers and duties.* The Board shall exercise for the Association all powers, duties and authority vested in or related to the Association and not reserved to the Membership by other provisions hereof, and exercise such other and further powers as provided in the dedicatory instruments and Texas Non-Profit Corporation Act, including but not limited to the following:

- To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the Annual Meeting. These records are to be maintained in the association's office and are open records that can be reviewed by any member. Records cannot be removed from the Association's office, except for annual review and legal requirements. Copies of such records may be purchased from the Association at a nominal fee;
- To issue, or to cause an appropriate Officer to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid. A reasonable charge may be made by the Officers for the issuance of these certificates. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid;
- To procure and maintain adequate liability and hazard insurance on property owned by the Association and on the THPOA Board of Directors;
- To cause all Officers, employees or agents, having the fiscal responsibility to be bonded, as it may deem appropriate;
- To cause the Common Areas of the Subdivision to be maintained;

- To annually review and accept the THPOA Facilities Committee Policy, Procedures and Guidelines, the THPOA Guidelines for Collection of HOA Dues and any other Policies, Procedures or Guidelines documented;

1.06 *Association Principal Office.* The principal office and meeting place of the Association shall be located in Twin Harbors on Lake Livingston Subdivision in Polk County, Texas, or in the general area thereof, as the Officers may determine and the affairs of the Association may from time to time require.

1.07 *Association Registered Office.* The Association as a Non-Profit Corporation organized under the provisions of the Texas Non-Profit Corporation Act, shall have and continuously maintain in the State of Texas a registered office and a registered agent, whose office is identical with such registered office, as required by the Texas Non-Profit Corporation Act. The registered office may be, but not need be, identical with the principal office of the Association in the State of Texas, and the Officers may change the address of the registered office from time to time.

1.08 *Association Dissolution.* Upon dissolution of the Association or the winding up of its affairs, the assets of the Association shall be distributed exclusively to charitable, scientific or educational organizations or such successor organization, which would then qualify under the provisions of Section 501 (c) of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended.

1.09 *Seal.* The officers shall provide an Association seal, which shall be in the form of circle and shall have inscribed thereon the name of the Association.

ARTICLE II: MEMBERS

2.01 *Classes of Members.* The Association shall have two (2) classes of Members. They are Regular Member and Business/Commercial Member. New property Owners must provide verification of Lot or Reserve Ownership to the Board. Business/Commercial Member is described as an entity other than an individual person or persons, trustee, and or heirs/family.

2.02 *Members in Good Standing.* Only Members who are current (within 30 days of billing) in payment of any Regular Assessment, Special Assessment, or other amounts due the Association shall be considered in good standing with full rights and privileges, which rights and privileges include, but are not limited to, voting on any matter submitted to a vote of the Members (whether in person or by proxy), voting by proxy on behalf of any other Member, Board Membership, committee Membership, and use of Association facilities.

2.03 *Use of Facilities.* Member use of Association facilities shall be subject to the rules as set forth by the Board and pursuant to the terms of the Deed Restrictions.

2.04 *Suspension of Privileges.* All Membership rights and privileges, as described herein, shall be suspended if a Member is not in good standing; and such suspension shall continue for so long as such sums remain unpaid.

2.05 *Voting Rights*. Each Regular Member shall be entitled to one vote per Lot owned on any matter submitted to a vote of the Members. Business/Commercial Member shall be entitled to one vote per Lot owned to a Maximum not to exceed three (3) votes on any matter submitted to a vote of the Members. Only Members in good standing will be eligible to vote, or to vote another Member's proxy.

ARTICLE III: MEETINGS OF MEMBERS

3.01 *Annual Meetings*. The Annual Meeting of Members shall be held each year at 10:00 a.m. on the third Saturday of October, for the purpose of electing Officers and for the transaction of other business, which may come before the meeting. If the election of Officers shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Officers shall cause the election to be held at a special meeting of the Members as soon afterwards as possible.

3.02 *Special Meetings*. Special meetings may be called by the President, by the Officers by a majority vote, or by a petition in writing signed by twenty-five (25) or more Members in good standing.

3.03 *Place of Meeting*. Any place in Twin Harbors on Lake Livingston subdivision in Polk County, Texas, or the nearby town of Onalaska, Texas, suitable for attendance by the Members may be designated as the place for such annual or special meetings of the Members.

3.04 *Notice of Meetings*. Written notice stating the place, day and hour of the meeting and the purpose of any meeting of the Members called, shall be mailed by first-class mail to the last known mailing address of each Member, and posted on the Association website, not less than thirty (30) days, nor more than sixty(60) days prior to the meeting.

3.05 *Waiver of Notice*. Whenever any notices are required to be given under the provisions of the Texas Non-Profit Corporation Act or under the provisions of the Articles of Incorporation or the Bylaws of this Association, a waiver thereof in writing signed by the person or person entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

3.06 *Manner of Acting/Order of Business*. Robert's Rules of Order will guide all meetings of the Members. The presence of a quorum, proof of notice, and a record of Members in good standing and eligible to vote shall be confirmed before any business is conducted. At any meeting of the Members, the presence in person or by proxy of 25 of the Members in good standing shall constitute a quorum to transact business. In the absence of a quorum any meeting shall be adjourned, and shall be rescheduled at a future convenient date with due notice to all Members. Any unfinished business may then be conducted without a quorum.

3.07 *Adjournment*. If any meeting of the Members is adjourned for not more than twenty (20) days, no notice as to the time or place of such adjourned meeting shall be required other than an announcement of it at the meeting at which such adjournment is taken. However, the Board may at its option give such additional notice to the Members, as it deems proper to secure their attendance at the adjourned meeting.

3.08 *Voting by Proxy.* Any Member in good standing may vote by proxy through another Member in good standing. A proxy may be valid for up to eleven (11) months from the date executed, and shall be filed with and maintained in the permanent records of the Secretary of the Association. Any Member who has a proxy on record with the Secretary may void such proxy with regard to any meeting of the Members at which such Member is in attendance and votes in person. For purposes of determining Members in good standing and establishing voting rights for any meeting of the Members, the record date shall be 9:00 a.m. on the day of such meeting. For purposes of validating proxies to be voted at any meeting of the Members, the record date for submitting proxies shall be 5:00 p.m. on the day before such meeting. Proxies may be submitted as paper or electronic documents, so long as they are in form and substance similar to the form provided with the notice of such meeting. A determination of Members entitled to vote at any meeting of the Members is effective for any adjournment of the meeting unless the Board fixes a new record date for determining the right to vote. The Board must fix a new date for determining the right to vote if the meeting is adjourned to a date more than ninety (90) days after the record date for the original meeting.

ARTICLE IV: OFFICERS

4.01 *Officer Positions.* The business and affairs of the Association shall be managed by eight (8) Officers, all of whom shall be Members of the Association in good standing. The Officers of the Association shall be a President, Vice President, Secretary, Treasurer, 1st Architect, 2nd Architect, 3rd Architect, and Parliamentarian.

4.02 *Term of Office.* The Officers of the Association shall be elected to at-large positions and shall serve terms of two (2) years each, with half being elected in even years and half being elected in odd years, such that the terms of such Officers expire in alternating years. At the Annual Meeting of the Members, Officers shall be elected to replace the Officers whose terms of office have expired. Officers shall be installed at the Annual Meeting of the Officers following the Annual Meeting of the Members or at the first Regular Meeting of the Board and shall hold office for the term elected until their successors shall have been elected and have given their consent to serve in such capacity.

4.03 *Removal.* Any Officer may be removed by a two-thirds majority vote of the remaining Officers whenever in the Board's judgment it would serve the best interests of the Association, but such removal shall be without prejudice to the contract rights, if any, of any Officer so removed. Any Officer so removed may request a hearing to respond to the Board's action.

4.04 *Vacancies.* Vacancies by Officers may be filled by the affirmative vote of a majority of the remaining Officers. An Officer elected to fill a vacancy shall be elected for the unexpired term of office of the position filled.

4.05 **President.** The President shall be the principal executive Officer of the Association and shall in general supervise and control all of the business and affairs of the Association, and supervise all Officers, agents and employees of the Association, and see that their duties are properly performed. The President shall preside at all meetings of the Members and of the Officers. The President may sign, with the Secretary or any other Officer of the Association authorized to do so by the Officers, any deeds, mortgages, bonds, contracts, or other instruments which the Officers have approved, except in cases where the execution thereof shall be expressly delegated by the Officers, the Bylaws or statute to some other Officer of the Association; and in general, the President shall perform all duties incident to the office of the President, and such other duties as from time to time may be prescribed by the Officers.

4.06 **Vice President.** The Vice President shall perform the duties of the President in the absence of the President or in the event of inability or refusal of the President to act, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to the Vice President by the President of Officers.

4.07 **Treasurer.** The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for money due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of these Bylaws; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to the treasurer by the President or by the Officers. If required by the Officers, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties, as the Officers shall determine.

4.08 **Secretary.** The Secretary shall keep the minutes of the meetings of the Members and of the Officers in one or more books provided for that purpose; give all notices in accordance with the provisions of these Bylaws or as required by law; be custodian of the records, keep a register of the post office address of each member which shall be furnished to the Secretary by each member; and, in general, perform all duties as from time to time may be assigned to the Secretary by the President or by the Officers.

4.09 **1st, 2nd, and 3rd Architects.** To perform duties as described the Subdivision restrictions. The Architects will be members of the Architectural and Facilities Committees and the 1st Architect will be the Chairperson of these Committees unless deemed otherwise by the Board. In general the Architects will perform all duties associated with the maintenance or improvement of Common Areas, the processing of requests for Building Permits and such other duties as from time to time may be assigned to the Architects by the Presidents or by the Officers.

4.10 **Parliamentarian.** The Parliamentarian shall maintain the order of business at meetings of the Members and Officers and, in general, perform all duties incident to the office of Parliamentarian and such other duties as from time to time may be assigned to the Parliamentarian by the President or by the Officers.

4.11 *Compensation.* Officers shall receive no compensation for the their services, but shall be reimbursed for all out-of-pocket expenses incurred on behalf of the Association. Any Officer may receive compensation for work performed that is not part of such Officer's duties, provided that the Board of Directors approves such compensation and work performed.

4.12 *Delegation of Duties.* Any of the duties described above may be delegated to an Office Manager, other employee or contractor of the Association with the oversight of the responsible Officer.

ARTICLE V: MEETINGS OF OFFICERS

5.01 *Regular Meetings.* Regular meetings of the Officers shall be held on the second Saturday of each month at the Recreation Club Pavilion in Twin Harbors on Lake Livingston, or elsewhere as the Officers may by a majority vote from time to time designate as the Board's regular meeting place. The Executive session will begin at 9:30 am and will be followed by an Open session to begin no earlier than 10:00 am. The time and date of the regular meetings of the Officers may be changed by a majority vote of the Officers and with notice to Members. No other notice of the regular meeting of the Officers is required.

5.02 *Special Meetings.* Special meetings of the Officers shall be held whenever called by the President or Vice President. Notice of such meeting shall be mailed to each Officer, addressed to such Officer's last known address, or shall be delivered personally, or communicated by telephone or electronically, at least three (3) days before the day on which such meeting is to be held. Each such notice shall state the time and place, but need not state the purpose of such meeting. Notice of any meeting need not be given to an Officer if waived by such Officer in writing or by electronic means, and the presence of any Officer at any such meeting shall be considered as a waiver by such Officer of notice of such meeting. Notwithstanding the notice provisions herein, the President or Vice President may call an emergency meeting of the Board without notice by giving a stated purpose of emergency.

5.03 *Annual Meetings.* The regular Annual Meeting of the Officers shall be held without other notice than this By-Law, after and at the same place as the Annual Meeting of the Members, for installation of Officers and to transact other business as shall come before the Officers at such meeting.

5.04 *Quorum.* The presence of a majority of active board members in good standing shall constitute a quorum for the transaction of business at any meeting of the Officers. In the absence of a quorum, a majority of the Officers present may adjourn the meeting without further notice other than an announcement of same at the meeting at which such adjournment is taken, and may reconvene at a future date to conduct any pending business in the absence of a quorum.

5.05 *Manner of Acting/Order of Business.* Robert's Rules of Order will guide, not dictate, all meetings of the Officers. The presence of a quorum and proof of notice, and a record of Officers in good standing and eligible to vote shall be confirmed before any business is conducted. The act of a majority of the Officers present at a meeting at which a quorum is present shall be the act of the Board, unless the act of a greater number is required by law or by these Bylaws.

ARTICLE VI: COMMITTEE AND SERVICES

6.01 *Committees.* Committees may be created, filled, and terminated at any meeting of the Officers.

6.02 *Standing Committees.*

- The "Architectural Committee" shall exercise the functions required of such a committee under the recorded Restrictive covenants applicable to TWIN HARBORS ON LAKE LIVINGSTON Subdivision. The Architectural Committee is not limited to, but shall have at least three (3) Members from the Association who are officers of the Board of Directors. Any member of such committee may be removed by a majority vote of the Officers when in the judgment the best interest of the Association and the Lot Owners in TWIN HARBORS ON LAKE LIVINGSTON Subdivision shall be served by such removal. The 1st Architect will be the chairperson of this committee unless deemed otherwise by the Board.
- The "Facilities Committee" shall exercise the functions required of such a committee to maintain subdivision assets and roads under the recorded Restrictive covenants applicable to TWIN HARBORS ON LAKE LIVINGSTON Subdivision. Specifically the Facilities Committee will act in accordance to the THPOA Facilities Committee Policy, Procedures and Guidelines as documented. The Facilities Committee is not limited to, but shall have at least three (3) Members from the Association who are officers of the Board of Directors. Any member of such committee may be removed by a majority vote of the Officers when in the judgment the best interest of the Association and the Lot Owners in TWIN HARBORS ON LAKE LIVINGSTON Subdivision shall be served by such removal. The 1st Architect will be the chairperson of this committee unless deemed otherwise by the Board.

6.03 *Other committees.* Other committees may be formed or disbanded as desired by the THPOA Board of Directors. The Membership of other committees is at the discretion of the THPOA Board of Directors

6.04 *Services*. No Officer of this Association shall be required to devote their time or render services exclusively to the Association. Each Officer shall be free to engage in any and all other businesses and activities either similar or dissimilar to the business of this Association. Likewise, each and every Officer shall be free to act for and service any other corporation or corporations, entity or entities, in any capacity, whether or not the purposes, business and activities there of are similar or dissimilar to those of this Association, without breach of any duty to this Association or its Members. No contract or other transaction of this Association shall ever be affected by the fact that any Officer of this Association is interested in, or connected with any party to such contract or transaction, provided that such contract or transaction shall be approved by a majority of the Officers not so interested or connected. .

ARTICLE VII: CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

7.01 *Agreements*. All agreements, contracts, deeds, leases, and other instruments of the Association shall be executed by at least two (2) officers of the board or such other person or persons as may be designated by resolution of the Board. Such authority may be general or confined to specific instances.

7.02 *Checks and Drafts*. All checks, drafts, or orders for the payment of money, notes or other evidences of indebtedness issued in the name of Association shall be signed by such Officer or Officers of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors. Such instruments shall be signed by two (2) of the (4) officers designated by the Board to sign documents.

7.03 *Deposits*. All funds of the Association shall be deposited to the credit of the Association in such banks, trust companies, or other depositories as the Officers may select.

7.04 *Gifts*. The Officers may accept on behalf of the Association any contributions, gifts, bequests or items for the general purposes or for any special purpose of the Association.

ARTICLE VIII: BOOKS AND RECORDS

8.01 *Books and Records*. The Association shall keep correct and complete books and records of accounts and shall also keep minutes of the proceedings of its members, Officers and committees having any of the authority of the Officers, and shall keep at the registered or principal office a record giving the names and addresses of Members. The Board may issue as they deem necessary guidelines and/or other documents as needed concerning the interpretation and enactment of the deed restrictions. Such issues may not change or alter said deed restrictions but can clarify or more clearly define certain aspects of the restrictions for the benefit of the Members.

8.02 *Review of Books and Records*. A review of books and records shall be made annually by a Certified Public Accountant selected by the Board of Directors. Upon completion of the yearly review of books and records, the report will be available for review in the Association's office.

8.03 *Special Assessment Accounts*. Special Assessments also known as special fees, should always be held in a Reserve Account and accounted for separately.

8.04 *Fiscal Year*. The fiscal year of the Association shall begin on September 1st and end on August 31, of each year.

8.05 *Inspection of Books and Records*. Access to Books and Records will be provided according to the Information Request Policy, Sections 209.005 of the Texas Property Code, Art 1396-2.23 of the Texas Non-Profit Corporations Act, and Section 22.351 of the Texas Business Organizations Code. A Member, on written request stating the purpose of the request and describing the items to be reviewed, has the right to examine in person or by agent, accountant, or attorney, at any reasonable time during business hours of the Association and for any proper purpose, the books and records of the corporation relevant to that purpose, at the expense of such Member. Upon receipt of a written request and Board approval, the requestor will be provided with a date and time for the review and/or with a cost for research and copies. At no time may such records be removed from the office of the Association, except for annual review and legal requirements as provided for in these Bylaws.

8.06 *Member Expense*. The member shall be responsible for paying a reasonable fee for research and a per-copy fee, as defined in the THPOA Information Request Policy. The Association will notify the member of the cost of the research and/ or copy fee, and such fee shall be paid before access is granted or the requested copies are made.

8.07 *Conflict of Laws*. It is the intent of the Board that the provisions of this Article comply with state law. In the event of any conflict of laws concerning the provisions of this Article and state law, state law will prevail, and the provisions stated here will be amended to conform to state law without notice to or consent of the Members, but instead with the consent of a majority of the Board. .

ARTICLE IX: CHARGES, DUES, FEES, AND FINES

9.01 *Annual maintenance fees*. Each Member shall pay annual maintenance fees as required by the Deed Restrictions per lot owned in Twin Harbors On Lake Livingston Subdivision. Maintenance Fees will be collected in accordance with the THPOA Guidelines for Collection of HOA Dues.

9.02 *Special Assessments*. The Board of Directors may assess a member a club member fee and/or due, as authorized by Article VI of the Association's Articles of Incorporation, other than a regular assessment or maintenance fees that each owner of property located in a residential subdivision is required to pay to the property owners' association, for:

- Defraying, in whole or in part, the cost, whether incurred before or after the assessment, of any construction or reconstruction, repair, or replacement of a capital improvement in the Common Areas owned by the Association, including the necessary fixtures and personal property related to such Common Areas, to the extent such expense is not sufficiently provided for with Regular Assessment funds;

- Maintenance and improvement of Common Areas owned by the Association;
- Such other purposes of the property Owners' Association as stated in its Articles of Incorporation or the dedicatory instrument for Twin Harbors on Lake Livingston.

9.03 *Payment of Fees*

- ***Maintenance Fees:*** Payment of maintenance fees or special assessments shall be as required in the Deed Restrictions, and become due on September 1st of each year, or monthly, if Member opts to pay on a monthly basis. Dues of a new Member shall be prorated from the first day of the month in which the new Member becomes a Member, for the remainder of the fiscal year of the Association. Any amounts payable under this Article which remain unpaid for a period of sixty (60) days will be considered delinquent; and the Association will notify the Member in writing of such delinquency and assess a late charge for each month that the account remains unpaid. All rights and privileges of such Member shall be suspended in accordance with the provisions of these Bylaws until such amounts are brought current.
- ***Special Assessment Fees:*** Payment of special assessment fees shall be as required in the Bylaws and become due on January 1st of each year.
- ***Legal Fees:*** The property owner is liable for all legal fees and court costs of any litigation, brought against the property owner by the Association for collection of all Charges, Fees and Dues unless ruled differently by the court.
- ***Collection Fees:*** The account of any Member that is delinquent (as determined by the Board) in the payment of any required amounts may be referred to a collection agency. If such action is taken by the Board, the Member will be assessed a fee in addition to any delinquent fees equivalent to the amount charged by such collection agency.
- ***Trailer Parking Fees:*** All Members using the Association's common area for trailer parking will pay an annual fee per trailer for mowing and administration charges. This fee shall be determined by the Board. All such trailers must be registered at office of the Association. Any trailer that has not been properly identified or paid for will be subject to removal after ninety (90) days.

9.04 *Enforcement.* The Board shall have the power to impose reasonable fines, and to suspend an Owner's rights for nonpayment of any charges, dues, fees or fines. Nothing herein shall authorize the Association or the Board of Directors to limit ingress and egress to or from a Lot or Tract. The failure of the Board to enforce any provision of the Declaration, Bylaws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

ARTICLE X: AMENDMENTS TO BYLAWS

10.01 *Amendments to Bylaws.* These Bylaws may be altered or amended, by the board and new Bylaws shall be adopted in the following manner. All property owners will be notified by mail of the proposed change(s) in the Bylaws. Property owners have a 45-day period in which to voice their opinions in writing to the board. Once the 45-day period has passed and the opinions have been reviewed by the Board, the revised Bylaws will be presented at the annual meeting for approval in whole and without amendment.

Note: These Bylaws were approved by the THPOA Board on October 14, 2006. The 30 day comment period will begin on October 21, 2006, when they are presented to the membership at the Annual meeting. The 30 day comment period will end on November 19, 2006.

Executed at Onalaska, Texas on this, _____ day of _____, 20____ by the
TWIN HARBORS ON LAKE LIVINGSTON PROPERTY OWNERS ASSOCIATION
BOARD OF DIRECTORS.

, PRESIDENT

, VICE PRESIDENT

, SECRETARY

, 1st ARCHITECT

, PARLIAMENTARIAN

, 2nd ARCHITECT

, TREASURER

, 3rd ARCHITECT