

Pendleton Harbor Property Owner's Association, Inc.

By-Laws

Amended 02/18/2024

Article 1 - Name and Purpose

1.1 Name - The Corporation is "Pendleton Harbor Property Owner's Association Inc." (Texas Charter No. 293500, dated July 21, 1971) hereinafter referred to as PHPOA.

1.1.1 Provisions - The PHPOA has been organized as a non-profit organization. Therefore, no member of the Board of Directors, or person for whom the PHPOA may receive any property or funds shall be lawfully entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the PHPOA be paid as salary or compensation or distributed to, or inure to the benefit of any member of the Board of Directors; provided however, (1) reasonable compensation may be paid with the approval of the Board of Directors to any member while acting as an agent or employee of the PHPOA for service rendered in affecting one or more of the purposes of the PHPOA, and; (2) that any member of the Board of Directors or employee of the PHPOA may be reimbursed for actual and reasonable expense properly incurred in connection with the administration of the affairs of the PHPOA.

1.2 Purpose - The PHPOA was organized and shall be operated to promote the civic interest of persons owning lots in Pendleton Harbor Subdivision, hereinafter referred to as PHS, located in Sabine County, Texas.

Article 2 - Membership, Lot Owners, Voting, Quorum and Absentee Ballots

2.1 Membership - The PHPOA shall have a membership specifically limited to PHS lot owners. All lot owners of numbered lots in the subdivision are considered members of the PHPOA. The membership is transferred with the ownership of said lots including sale, inheritance, assignment, or foreclosure.

2.2 Lot Owners - As used in these By-Laws, the term "lot owners" shall mean those owners of lots in the PHS as it may exist at any particular time according to plats then filed for record with the County Clerk of Sabine County, Texas. The plats initially filed under the name of "Hide-A-Way Harbor" are now to be considered plats of a part of the PHS.

2:23 Voting- **All PHPOA property owners are considered voting members and** are entitled to vote or participate in any PHPOA business including meetings, elections, etc. Property owners will have one vote per lot owned. These voting rights apply to all PHPOA issues requiring a membership vote including modifying the "By-Laws", "Protective Covenants, Restrictions, and Lot Assessments", Director nominations, and Director elections.

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2.4 Quorum – The presence in person or by Absentee Ballot of PHPOA lot owners representing 10% of member lots shall constitute a quorum per Article 2, Paragraph 2.3.

2.5 Absentee Ballots - Voters as defined in Article 2, Paragraph 2.3 of this document, may cast votes in person or by absentee ballot. Absentee ballots must be filed with the Secretary (of the Board of Directors) before the end of the day on the Friday preceding the Annual Meeting. Absentee ballots received by the PHPOA Secretary will be counted at the “Annual Meeting” for the election of directors nominated by the nominating committee as provided in Article 4, Paragraph 4.3.1 or any other meeting which provides for absentee voting.

Article 3 - Administration

3.1 PHPOA Responsibilities - The affairs of the PHPOA will be administered through the elected “Board of Directors” as herein provided.

3.2 Place of Meetings - Meetings of the PHPOA shall be held at such place as the “Board of Directors” may determine.

3.3 Annual Meetings - The “Annual Meeting of the PHPOA is to be held on the third Saturday in February of each year.

3.4 Special Meetings - It shall be the duty of the President, or Vice President in the absence of the President to call a special meeting of the lot owners as directed by resolution of the “Board of Directors” or upon a petition signed and presented to the Secretary by a minimum of 15% of the lot owners. The notice of a meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice and included on the absentee ballot.

3.5 Notice of Meetings - It shall be the duty of the Secretary to mail a notice of each “Annual Meeting”, “or Special Meeting” stating the purposes thereof as well as the time and place where it is to be held to each lot owner of record, at least 14 but not more than 50 days prior to each meeting. The mailing of a notice in the manner provided in this paragraph shall be considered notice served.

3.5.1 Adjourned Meeting - If any meeting of lot owners cannot be organized because a quorum is not present, the lot owners who are present either in person or by absentee ballot, may adjourn the meeting to a time not less than forty-eight hours from the time the original meeting was called.

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3.6 Order of Business - the order of business at all meetings of the lot owners shall so far as applicable be as follows:

- 3.6.1 Identification of lots represented at the meeting either by owners or designated representative.
- 3.6.2 Proof of notice of meeting.
- 3.6.3 Reading of minutes of preceding meeting.
- 3.6.4 Reports of officers.
- 3.6.5 Reports of committees.
- 3.6.6 Election of directors (if "Annual Meeting")
- 3.6.7 Unfinished business. (Discussion only)
- 3.6.8 New business. (Discussion only)

3.7 Vote Tellers/Audit Committee - A committee of three (3) persons, a chairperson and two committee members, will be elected from those present at the "Annual Meeting" to serve as Vote Tellers and Audit Committee. The elected chairperson will serve a three-year term and two committee members will serve two-year terms. All three persons are limited to two consecutive terms if elected. A first term committee member can serve a second two-year term as a committee member, or a three-year term as chairperson. A first term chairperson is limited to one term as chairperson but can serve a second two-year term as a committee member. The two committee members will serve alternating two-year terms with one elected each year. The chairperson will be elected every third year. By alternating the elections of the two committee members and having the chairperson serve a three-year term ensures that at least two of the three committee members will have prior experience therefore giving the committee continuity. After one year off the committee a person will be eligible to serve on the committee. All three elected persons must be present to examine the books and/or count votes. If for any reason an elected member cannot be present the PHPOA President shall solicit volunteers to substitute from the PHPOA so that there will be a total of three members present. The results of all vote counting and financial audits will be reported directly to the President of the PHPOA on completion and made available to the membership. Duties of this committee will be as follows:

3.7.1 The counting of votes and absentee ballots before the annual or any special meeting.

3.7.2 Financial records audit will be conducted during the first quarter of the year by this committee followed by a full CPA Audit during the second quarter of the year. Both Audits will be arranged and scheduled by the committee Chairperson.

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4.3 Nomination, Election and Term of Office, etc. – The “Board of Directors” will be nominated and elected by a majority vote of lot owners as follows:

4.3.1 Nomination of Directors – The President of the PHPOA shall appoint a nominating committee consisting of voting PHPOA lot owners to solicit names of the individuals willing to serve on the “Board of Directors”. To qualify as a nominee for the “Board of Directors” the nominee must be a voting lot owner. Well in advance of the PHPOA “Annual Meeting”, the nominating committee shall mail out an absentee ballot to each voting PHPOA lot owner listing all nominees for the position of Director and the number of Directors to be voted for at the next “Annual Meeting” of the PHPOA.

4.3.2 Directors will be elected **yearly** at the “Annual Meeting” by a majority vote of voting lot owners.

4.4 Vacancies – Vacancies coming into existence for any reason other than the removal of a Director by a vote of the PHPOA shall be filled by vote of the majority of the remaining Directors and each person so elected shall be a Director until a successor is elected at the next “Annual Meeting” of the PHPOA.

4.5 Removal of Directors – At any regular or special meeting of voting lot owners duly called, any one or more of the Directors may be removed with or without cause if approved by, no less than 10% of the then voting lot owners, or a majority of those represented at a meeting of voting lot owners, whichever is greater, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the lot owners shall be given an opportunity to be heard at the meeting.

4.6 Annual Organizational Meeting – The first meeting of a newly elected Board of Directors each year shall be held, if practical, within ten days after the election.

4.7 Regular Meetings – Regular meetings of the Board of Directors may be held at such time and place as shall be determined by a majority of the Directors, but at least three such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall (unless waived) be given to each Director, personally or by mail, telephone at least three days prior to the day named for such meeting.

4.8 Special Meetings – Special meetings of the Board of Directors may be called by the President on three days’ notice to each Director, given personally, by mail, or telephone. Such notice shall (unless waived) state the time, place (as herein above provided) and the purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like matter and on like notice on the written request of at least four Directors.

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4.9 Waiver of Notice – Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by that Director of the time and place thereof. If all of the Directors are present at any meeting of the Board, no notice shall be required, and any business may be transacted at such meeting.

4.10 Board of Directors' Quorum – At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors, except that where (as in the case of removal of officers) action by a majority of the Directors is required, then the action must be approved by a majority of the entire Board of Directors as it exists at the time the action is taken. If at any meeting of the Board of Directors' there is less than a quorum present the majority of those present may adjourn the meeting.

4.11 Indemnification of Officers and Directors – The PHPOA shall indemnify all Directors or Officers, their heirs, executors and administrators, against all loss, cost and expense, including counsel fees, reasonably incurred by them in connection with any action, suit or proceeding to which they may be made a party by reason of their being or having been a director or Officer of the PHPOA, except as to matters in which they shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the PHPOA is advised by counsel that the persons to be indemnified have not been guilty of gross negligence or willful misconduct in the performance of their duties as such Director or Officer may be entitled. All liability, loss damage, cost and expense incurred or suffered by the PHPOA by reason or arising out of or in connection with the forgoing indemnification provisions shall be treated and handled by the PHPOA as common expense.

Article 5 – Officers

5.1 Designation – The officers of the PHPOA shall be a President, a Vice-President, a Secretary, an Assistant Secretary, a Treasurer, and an Assistant Treasurer, all of whom shall be elected by the Board of Directors. The President, Vice-President, Secretary, Treasurer, Assistant Secretary, and Assistant Treasurer shall be elected from the members of the Board of Directors, by the members of the Board of Directors.

5.2 Election of Officers – The Officers of the PHPOA shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board.

5.3 Removal of Officers – Upon an affirmative vote of a majority of the members of the Board of Directors, officers may be removed with cause, and their successors elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

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5.4 President – The President shall be the chief executive officer of the PHPOA and shall preside at all the meetings of the PHPOA and of the Board of Directors. The President shall have all the general powers and duties which are usually vested in the office of President of a corporation, including but not limited to the discretionary powers to appoint committees from among lot owners to assist in the conduct of the affairs of the PHPOA.

5.5 Vice-President – The Vice-President shall act at the President's direction and shall have all the powers, authority, and obligations of the President in the President's absence.

5.6 Secretary – The Secretary shall have the following responsibilities and duties: (1) keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the PHPOA; (2) shall have charge of such books and papers as the Board of Directors may direct; (3) in general, perform all the duties of the office of Secretary.

5.7 Assistant Secretary – The Assistant Secretary shall, in the absence of or disability of the Secretary, perform the duties and exercise the powers of the Secretary.

5.8 Treasurer – The Treasurer shall have the responsibility for the PHPOA funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the PHPOA. The Treasurer shall also be responsible for the deposit of all moneys and other valuable effects in the name and to the credit, of the PHPOA in such depository as may be designated by the Board of Directors.

5.9 Assistant Treasurer – The Assistant Treasurer shall in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer.

Article 6 – Obligation of the Lot Owners

6.1 Assessments and Liens – Lot owners in the subdivision shall be obligated to pay the monthly assessments imposed by the PHPOA as stipulated in "Exhibit A – Pendleton Harbor Subdivision Protective Covenants, Restrictions, and Lot Assessments - Section 16b (attached to this document) to meet the common expenses.

6.2 General – Each lot owner is required to comply strictly with all the provisions of "Exhibit A" – Pendleton Harbor Subdivision Protective Covenants, Restrictions, and Lot Assessments" of said document.

Article 7 – Amendments to PHPOA By-Laws

7.1 Amendments – These By-Laws may be amended by the PHPOA at any duly constituted meeting of lot owners called for such purpose, but no Amendment shall take effect unless approved by a majority votes of the members at a meeting at which a quorum is represented in person or by absentee ballot.

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7.2 Approval – Upon approval of a modification to this document per paragraph “7.1 Amendments” the current President and Secretary of the PHPOA will sign and date the amended copy and file it for record at the Sabine County Courthouse. The filed copy will become the record copy and will be considered current and active for purpose of reference to the PHPOA By-Laws.

[Signature] 2/22/24
President, PHPOA Date

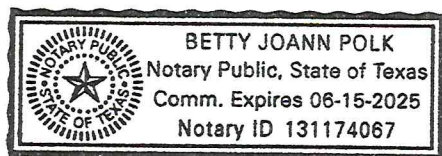
[Signature] 2-22-24
Secretary, PHPOA Date

State of Texas
County of Sabine

Before me personally appeared on this day _____ (President, PHPOA) and _____ (Secretary, PHPOA), known to me to be the persons whose names are subscribed to the foregoing instrument and who acknowledged to me that he/she executed the same for the purposes expressed therein.

Given under my hand and seal of office this 22 day of February, 2024.

[Signature]
(Signature of Notary)



Betty Joann Polk, Sabine, 06-15-2025
(Print Notary Name, County, Expiration Date)