JUL 26 1973

Director, Corporation Division

# ARTICLES OF INCORPORATION

# OF

# CANYON SPRINGS RESORT PROPERTY OWNERS' ASSOCIATION, INC.

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We, the undersigned natural persons of the age of twenty-one (21) years or more, at least two (2) of whom are citizens of the State of Texas, acting as incorporators of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for such corporation:

## ARTICLE ONE

## NAME

The name of the corporation is CANYON SPRINGS RESORT PROPERTY OWNERS' ASSOCIATION, INC.

## ARTICLE TWO

## NONPROFIT CORPORATION

The corporation is a nonprofit corporation.

## ARTICLE THREE

## DURATION

The period of its duration is perpetual.

## ARTICLE FOUR

## PURPOSES

The purposes for which this corporation is formed are:

A. (1) The specific and primary purposes are to receive and maintain a fund or funds of real or personal property, or both, and, subject to the restrictions and limitations hereinafter set forth, to use and apply the whole or any part of the income therefrom and the principal thereof exclusively for pleasure, recreation, and other non-profitable purposes.

(2) No part of the net earnings of the corporation shall inure to the benefit of any director of the corporation, officer of the corporation, private shareholder, or any private individual (except that reasonable compensation may be paid for services rendered to or for the corporation affecting one or more of its purposes), and no director or officer of the corporation, or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the corporation.

(3) Notwithstanding any other provision of these Articles of Incorporation, the corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from taxation under Section 501(c)(7) of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended.

(4) Upon dissolution of the corporation or the winding up of its affairs, the assets of the corporation shall be distributed exclusively to another tax exempt organization which would then qualify under the provisions of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended.

B. (1) The general purposes and powers are to acquire, maintain, and conduct buildings and property for a community center and educational and recreational facilities to serve the community consisting of those individuals who own property in Canyon Springs Resort, a subdivision located within the confines of Comal County, State of Texas, to acquire other properties, and to construct building for such purposes; to engage in any and all types of activities not prohibited by law which shall promote and foster better citizenship among its members, and which shall promote and foster educational, recreational, physical, and social activities of its members and friends; to promote and foster mutual understanding and good will among all persons, to engage in such activities as shall raise the standards of civic morality and community welfare through educational, recreational, and social facilities; and to disseminate such knowledge as shall be useful for its members in their work and home life and as shall make them more proficient in their activities as citizens and residents of the State of Texas.

Notwithstanding any of the above statements of purposes and powers, this corporation 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 corporation. This corporation is organized pursuant to the Texas Non-Profit Corporation Act and does not contemplate pecuniary gain or profit to the members thereof and is organized for non-profit purposes.

ARTICLE FIVE

NON-STOCK CORPORATION

The corporation shall be non-stock, and no dividends or pecuniary profit shall be declared or paid to the members thereof.

ARTICLE SIX

INITIAL REGISTERED OFFICE AND AGENT

The name of the corporation's initial registered agent is Mr. Altus T. Bowden, whose address is Route 4, Box 435, New Braunfels, Texas 78130, which is also the address of the initial registered office.

ARTICLE SEVEN

BOARD OF DIRECTORS

The number of Directors constituting the initial Board of Directors of the corporation is eight (8), and the names and addresses of the persons who are to serve as the initial Directors are:

| Name | Address |
|---|---|
| Altus T. Bowden | Route 4, Box 435<br>New Braunfels, Texas 78130 |
| Gerald C. Smith | Route 4, Box 501<br>New Braunfels, Texas 78130 |
| Opal O'Rear | Route 4, Box 501-A<br>New Braunfels, Texas 78130 |

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| Jesse Hill | Route 4, Box 500<br>New Braunfels, Texas 78130 |
| Mrs. Gerald C. Smith | Route 4, Box 501<br>New Braunfels, Texas 78130 |
| R. L. O'Rear | Route 4, Box 501-A<br>New Braunfels, Texas 78130 |
| Dr. Arthur G. Wiederaenders | 850 Baker Street<br>Seguin, Texas 78155 |
| Edward W. Fitts | Route 4, Box 319<br>New Braunfels, Texas 78130 |

## ARTICLE EIGHT

## INCORPORATORS

The name and street address of each incorporator is:

| Name | Address |
|---|---|
| Altus T. Bowden | Route 4, Box 435<br>New Braunfels, Texas 78130 |
| Gerald C. Smith | Route 4, Box 501<br>New Braunfels, Texas 78130 |
| Opal O'Rear | Route 4, Box 501-A<br>New Braunfels, Texas 78130 |

## ARTICLE NINE

## ELECTION OF DIRECTORS

Manner in which the Directors are to be elected by the members is as follows: A nominating committee consisting of three (3) members shall be elected at the corporation's regular meeting in April. It shall be the duty of this committee to nominate a candidate for each of the eight (8) Directors, except that the parliamentarian who is to serve as one of the corporation's Directors is to be appointed by the incoming President. The members of the corporation may, at the corporation's May meeting, nominate additional individuals to serve as Directors, provided the consent of the nominee shall first have been obtained. At the May meeting of the corporation, upon the terminating of all nominations, the members of the corporation shall then vote to elect seven (7) of the corporation's Directors. Each elected Director shall serve for a term of one (1) year, commencing the 1st day of June and terminating the last day of May.

## ARTICLE TEN

## CORPORATE OFFICERS AND THEIR FUNCTIONS

The general officers of the corporation shall be: President, First Vice-President, Second Vice-President, Third Vice-President, Secretary, and Treasurer.

The principal duties of the President shall be to preside at all meetings of the members and the Board of Directors and to have a general supervision of the affairs of the corporation and to perform such other duties and exercise such other powers as may from time to time be delegated to him by the Board of Directors.

The principal duties of the Vice Presidents shall be to discharge the duties of the President in the absence or disability, for any cause whatsoever, of the President and to perform all duties as may be delegated to them by the President.

The principal duties of the Secretary shall be countersign all deeds, leases and conveyances executed by the corporation, if any, affix the seal of the corporation thereto and to such other papers as shall be required or directed to be sealed, and to keep a record of the proceedings of the Board of Directors, and to safely and systematically keep all books, papers, records, and documents belonging to the corporation, or in any way pertaining to the business thereof, except the books and records incidental to the duties of the Treasurer, and to perform such other duties as may be delegated to her (him) from time to time by the Board of Directors.

The principal duties of the Treasurer shall be to keep an account of all monies, credits, and property, if any, of any and every nature of the corporation which shall come into his hands, and to keep an accurate account of all monies received and disbursed and of proper vouchers for monies disbursed, and to render such accounts, statements, and inventories of monies received and disbursed and of money and property on hand, and generally of all matters pertaining to his office, as shall be required by the Board of Directors. No money shall be paid out except on direct authority of the Board of Directors. The Treasurer shall have a sum not to exceed Ten and No/100 Dollars ($10.00) to be used as a petty cash fund.

The Board of Directors may provide for the appointment of such individual officers as they may deem for the best interests of the corporation.

Whenever the Board of Directors may so order, any two (2) offices, the duties of which do not conflict, may be held by one (1) person.

The officers shall perform such additional or different duties as shall from time to time be imposed or required by the Board of Directors, or as may be prescribed from time to time by the Bylaws.

## ARTICLE ELEVEN

## ELECTION OF OFFICERS

The officers shall be elected by the Directors, who shall first be elected by the members of the corporation.

## ARTICLE TWELVE

## MEMBERSHIP REQUIREMENTS

Membership in the corporation shall be open to all present and future property owners of Canyon Springs Resort, a subdivision located within the confines of Comal County, State of Texas, but the right to vote on corporate business is specifically restricted to those members who have paid their property owners' assessment. Any member of the corporation in good standing may introduce to the corporation a guest upon such terms and conditions as the Board of Directors may determine.

ARTICLE THIRTEEN

AMENDMENTS

These articles may be amended in the manner provided by statute at the time of amendment.

ARTICLE FOURTEEN

CORPORATION'S MEETINGS

The meetings of the corporation shall be held on the third Saturday of each month. Special meetings may be called at any time by the President, or in his absence by the First Vice-President, for the purpose of transacting any business that the Board of Directors may bring before said meeting. The Board of Directors shall further meet at the discretion of the President, preferably one week before the regular weekly corporation meeting.

ARTICLE FIFTEEN

LIMITATION ON MEMBERS' LIABILITY

The private property of the members of this corporation shall not be liable for its corporate debts.

IN WITNESS WHEREOF, we have hereunto set our hands, this 7th day of July, 1973.

Altus T. Bowden
ALTUS T. BOWDEN

Gerald C. Smith
GERALD C. SMITH

Opal O'Rear
OPAL O'REAR

STATE OF TEXAS )
)
COUNTY OF COMAL )

I, Helen Jurica, a Notary Public, do hereby certify that on this 7th day of July, 1973, personally appeared before me ALTUS T. BOWDEN, GERALD C. SMITH, and OPAL O'REAR, who, each being by me first duly sworn, severally declared that they are the persons who signed the foregoing document as incorporators, and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year above written.

Helen Jurica

Notary Public, Comal County, Texas