

BY-LAWS OF
NORTHSHORE OVD LANDOWNERS ASSOCIATION

ARTICLE 1
DEFINITIONS

Project Defined

1.01. Project shall mean that certain property located in the City of Portland, County of San Patricio, State of Texas, described as follows:

NORTHSHORE OVD SUBDIVISION UNIT 1, a subdivision located in San Patricio County, Texas, as such subdivision is defined by the plat of same recorded in the Office of the County Clerk of San Patricio County, Texas; and

All future units of the NORTHSHORE OVD Subdivisions which are expressly made subject to administration by the Association by act of the developer of such future units (herein collectively called the “Subdivision”).

Declaration Defined

1.02. Declaration shall mean the DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS for NorthShore OVD Subdivision Unit 1 (the “Declaration”) filed in the Office of the County Clerk of San Patricio, State of Texas, including any amendments to the Declaration as may be made from time to time, including any additions that may include future units of the Subdivision.

Other Terms Defined

1.03. Other terms used in these Bylaws shall have the meaning given them in the Declaration, incorporated by reference and made a part of these Bylaws.

ARTICLE 2
APPLICABILITY OF BYLAWS

Corporation

2.01. The provisions of these Bylaws constitute the Bylaws of the non-profit corporation known as North Shore OVD Landowners Association, referred to as the “Association.”

Project Applicability

2.02. The provisions of these Bylaws are applicable to the Project as defined in Paragraph 1.01 of these Bylaws.

Personal Application

2.03. All present or future owner, present or future tenants, their employees, or other persons that use the facilities of the Project in any manner are subject to the regulations set forth in these Bylaws. The acquisition of any of the Lots of the Project will signify that these Bylaws are accepted and ratified and will be complied with by the purchaser, or the purchaser's tenants.

ARTICLE 3 OFFICES

Registered Office and Registered Agent

3.01. The Association shall have and shall continuously maintain in the State of Texas a registered office and a registered agent, whose office shall be identical with the 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 corporation, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE 4 QUALIFICATIONS FOR MEMBERSHIP

Membership

4.01. The membership of the Association shall consist of all of the Owners of the Lots within the Project.

Proof of Membership

4.02. The rights of membership shall not be exercised by any person until satisfactory proof has been furnished to the Secretary of the Association that the person is qualified as a Member. Such proof may consist of a copy of a duly executed, acknowledged and recorded deed evidencing ownership of a Lot in the Project. Such deed or policy shall be deemed conclusive in the absence of a conflicting claim based on a later recorded deed.

No Additional Qualifications

4.03. The sole qualification for membership shall be the ownership of a Lot in the Project. No initiation fee, costs, or dues shall be assessed against any person as a condition of membership except such assessments, levies, and charges as are specifically authorized under the Articles of Incorporation or the Declaration.

ARTICLE 5 VOTING RIGHTS

Voting

5.01. Voting rights shall be allocated among the Members on the basis of the formulas and allocations set forth in the Declaration.

5.02. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary of the Association. Every proxy shall be revocable and shall automatically cease on conveyance by the Member of the Member's Lot or on receipt of notice by the Secretary of the death or judicially declared incompetence of such Member. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise specifically provided in the proxy.

Quorum

5.03. The presence, either in person or by proxy, at any meeting, of Members entitled to cast at least fifty-one (51) percent of the total voting power of the Association shall constitute a quorum for any action, except as otherwise provided in the Governing Instruments. In the absence of a quorum at a meeting of Members, a majority of those members present in person or by proxy may adjourn the meeting to a time not less than five (5) days or more than thirty (30) days from the original meeting date.

Required Vote

5.04. The vote of the majority of the votes entitled to be cast by the Members present, or represented by proxy, at a meeting at which a quorum is present shall be the act of the meeting of the Members, unless the vote of a greater number is required by statute or by the Declaration, by the Articles of Incorporation of this Association, or by these Bylaws.

Cumulative Voting

5.05. Cumulative voting is not permitted.

ARTICLE 6 MEETING OF MEMBERS

Annual Meetings

6.01. The Annual Meeting of the Members of the Association shall be held in the month of June of each calendar year. The Annual Meeting may be held on any date in June, with the exception of Sundays and legal holidays. The date and time to be determined by a majority vote of the Board of Directors.

Special Meetings

6.02. Special meetings of the Members may be called by the President, the Board of Directors, or by Members representing at least fifty-one (51) percent of the total voting power of the Association.

Place

6.03. Meetings of the Members shall be held within the Project or at a meeting place as close to the Project as possible, as the Board may specify in writing.

Notice of Meetings

6.04. Written notice of all Members' meetings shall be given by or at the direction of the Secretary of the Association or such other persons as may be authorized to call the meeting, by mailing, e-mailing, posting on Association Website or personally delivering a copy of such notice at least ten (10) but not more than fifty (50) days before the meeting. Notification via the Association Website shall be deemed official meeting notification. Notification by mail, e-mail or personal delivery must be addressed to the Member's address or e-mail address last appearing on the books of the Association or supplied by such Member to the Association for the purpose of notice. The notice shall specify the place, date and hour of the meeting and, in the case of a special meeting, the nature of the business to be undertaken.

Order of Business

6.05. The order of business at all meetings of the Members shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meetings.
- (c) Reading of Minutes of preceding meeting.
- (d) Reports of officers.
- (e) Reports of committees.
- (f) Election of directors.
- (g) Unfinished business.
- (h) New business.

ARTICLE 7 BOARD OF DIRECTORS

Number

7.01. The affairs of this Association shall be managed by a Board of Directors consisting of five persons.

Term

7.02. The Association's Directors shall be elected at the annual meeting of the Members and shall hold office for a term of one to two years, and until their successors are elected and qualified.

Removal

7.03. Directors may be removed from office by a two-thirds (2/3rds) vote of the other Directors of the Board or by a two-thirds (2/3rds) vote of the Members of the Association voting at a meeting in which a quorum is present.

Vacancies

7.04. In the event of a vacancy on the Board caused by the death, resignation, or removal of a Director, the remaining Directors shall, by majority vote, elect a successor who shall serve for the unexpired term of the predecessor.

Any Directorship to be filled by reason of an increase in the number of Directors shall be filled by election at an annual meeting of Members or at a special meeting of Members called for that purpose.

Compensation

7.05. With the prior approval of a majority of the voting power of the Association, a Director may receive compensation in a reasonable amount for services rendered to the Association. A Director may be reimbursed by the Board for actual expenses incurred by the Director in the performance of the Director's duties.

Powers and Duties

7.06. The Board shall have the powers and duties, and shall be subject to limitations on such powers and duties, as enumerated in the Governing Instruments of the Project.

ARTICLE 8 NOMINATION AND ELECTION OF DIRECTORS

Nomination

8.01. Nomination for election to the Board of Directors shall be made from the floor at the annual meeting of the Members.

Election

8.02. Directors are elected at the annual meeting of Members of the Association. Members, or their proxies, may cast, in respect to each vacant directorship, as many votes as they

are entitled to exercise under the provisions of the Declaration. The nominees receiving the highest number of votes shall be elected.

ARTICLE 9 MEETINGS OF DIRECTORS

Regular Meetings

9.01. Regular meetings of the Board of Directors shall be held quarterly at a place within the Project, or as close to the Project as possible and at a time as may be fixed from time to time by resolution of the Board. Notice of the time and place of regular meetings shall be posted on the Association Website or at a prominent place or places within the Common Elements.

Special Meetings

9.02. Special meetings of the Board of Directors shall be held when called by written notice signed by the President of the Association or by any two (2) Directors other than the President. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. Notice of a special meeting must be given to each Director not less than ten (10) days prior to the date fixed for such meeting by written notice either delivered personally, sent by mail, email or telegram to each Director at the Director's address or email address as shown in the records of the Association. A copy of the notice shall be posted on the Association Website or in a prominent place or places in the Common Elements of the Project not less than three (3) days prior to the date of the meeting.

Quorum

9.03. A quorum for the transaction of business by the Board of Directors shall be the majority of the number of Directors constituting the Board of Directors as fixed by these Bylaws.

Voting Requirement

9.04. The act of the majority of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless any provision of the Declaration, the Articles of Incorporation of this Association or these Bylaws requires the vote of a greater number.

Open Meeting

9.05. Regular and special meetings of the Board shall be open to all Members of the Association, provided, however, that Association Members who are not on the Board may not participate in any deliberation or discussion unless expressly authorized to do so by the vote of a majority of a quorum of the Board.

Executive Session

9.06. The Board may, with the approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote on personnel matters, litigation in which the Association is or may become involved, contract negotiations, enforcement actions, other business of a confidential nature involving a Member, and matters requested by the involved parties to remain confidential. The nature of any and all business to be considered in executive session shall first be announced in open session.

ARTICLE 10 OFFICERS

Enumeration of Officers

10.01. The Officers of this Association shall be a President, Vice President, a Secretary, and a Treasurer. The Board of Directors may, by resolution, create such other offices as it deems necessary or desirable.

Term

10.02. The Officers of this Association shall be elected annually by the Board of Directors, and each shall hold office for one (1) year, unless the Officer shall sooner resign, be removed, or be otherwise disqualified to serve.

Resignation and Removal

10.03. Any Officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect at the date of receipt of the notice or at any later time specified in the notice. Any Officer may be removed from office by a majority of the Board whenever, in the Board's judgment, the best interests of the Association would be served by such removal.

Compensation

10.04. Officers shall receive such compensation for services rendered to the Association as determined by the Board of Directors and approved by a majority of the voting power of the Association.

ARTICLE 11 PRESIDENT

Election

11.01. At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect one of their number to act as President. Another person on the Board shall be elected to act as Vice President.

Duties

11.02. The President shall perform the following duties:

- (a) Preside over all meetings of the Members and of the Board.
- (b) Sign as President all deeds, contracts, and other instruments in writing that have been first approved by the Board, unless the Board, by duly adopted resolution, has authorized the signature of another Officer.
- (c) Call meetings of the Board whenever he or she deems it necessary in accordance with rules and on notice agreed to by the Board. The notice period shall, with the exception of emergencies, in no event be less than ten (10) days.
- (d) Have, subject to the advice of the Board, general supervision, direction, and control of the affairs of the Association and discharge such other duties as may be required of him or her by the Board.
- (e) Prepare, execute, certify, and have recorded all amendments the Declaration to be recorded by the Association.

11.03. The Vice President shall assist the President and fulfill the duties of President in the absence or disability of the President.

ARTICLE 12 SECRETARY

Election

12.01. At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect a Secretary.

Duties

12.02. The Secretary shall perform the following duties:

- (a) Keep a record of all meetings and proceedings of the Board and of the Members.
- (b) Keep the seal of the Association, if any, and affix it on all papers requiring the seal.
- (c) Serve notices of meetings of the Board and the Members required either by law or by these Bylaws.

- (d) Keep appropriate current records showing the Members of the Association together with their addresses.
- (e) Sign as Secretary all deeds, contracts, and other instruments in writing that have been first approved by the Board if the instruments require a second Association signature, unless the Board has authorized another Officer to sign in the place and stead of the Secretary by duly adopted resolution.

ARTICLE 13 TREASURER

Election

13.01. At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect a Treasurer.

Duties

13.02. The Treasurer shall perform the following duties:

- (a) Receive and deposit in a bank or banks, as the Board may from time to time direct, all of the funds of the Association.
- (b) Be responsible for and supervise the maintenance of books and records to account for the Association's funds and other Association assets.
- (c) Disburse and withdraw funds as the Board may from time to time direct, in accordance with prescribed procedures.
- (d) Prepare and distribute the financial statements for the Association required by the Declaration.

ARTICLE 14 BOOKS AND RECORDS

Maintenance

14.01. Complete and correct records of account and minutes of proceedings of meetings of Members, Directors, and committees shall be kept at the registered office of the corporation. A record containing the names and addresses of all Members entitled to vote shall be kept at the registered office or principal place of business of the Association.

Inspection

14.02. The Governing Instrument of the Project, the membership register, the books of account, and the minutes of proceedings shall be available for inspection and copying by any Member of the Association or any Director for any proper purpose at any reasonable time.

**ARTICLE 15
GENERAL PROVISIONS**

Amendment of Bylaws

15.01. These Bylaws may be altered, amended or repealed, in whole or in part, at any meeting of the Board of Directors by a vote of two-thirds (2/3rds) of the Directors then holding office, provided that written notice of the proposed alteration, amendment or repeal shall be included in the notice of such meeting and that any such alteration, amendment or repeal shall be consistent with the terms and conditions of the Declaration. These Bylaws also may be amended upon a majority vote of the membership of the Association.

Adopted by the Board of Directors on the ____ day of _____, 2005.

Secretary