

BYLAWS OF
HOLIDAY HARBOR COMMUNITY ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

Section 1.1 **Name.** The name of the Association is HOLIDAY HARBOR COMMUNITY ASSOCIATION, INC., a non-profit organization incorporated under the laws and statutes of the State of Texas, and chartered on February 28, 2022 under Texas Secretary of State File No. 804478063.

Section 1.2 **Location.** The domicile of the Association is within the County of San Jacinto, Texas.

ARTICLE II
DEFINITIONS

Section 2.1 **"Architectural Control Committee" and "Committee"** shall mean and refer to the three (3) person Architectural Control Committee appointed by the Association's Board of Directors.

Section 2.2 **"Association"** shall mean and refer to HOLIDAY HARBOR COMMUNITY ASSOCIATION, INC. chartered on February 28, 2022.

Section 2.3 **"Board of Directors" and "Board"** shall mean the Board of Directors of the Association, which shall have the authority to act on behalf of the Association in all matters, except those matters expressly reserved for the Membership in these Bylaws or the Restrictions.

Section 2.4 **"Common Area" and "Common Property"** shall mean all real property and improvements thereon owned by the Association for the common use and enjoyment of the Members of the Association.

Section 2.5 **"Fees" and "Assessments"** shall mean the regular and special maintenance fees to be charged to Members pursuant to the applicable Restrictions.

Section 2.6 **"Funds"** shall mean and refer to all monies assessed and collected from Owners, monies borrowed on behalf of the Association, or monies raised by any special function held by the membership for the purpose of obtaining money for use by the Association.

Section 2.7 **"Lot" and "Properties"** shall mean and refer to all Lots in the Subdivision, save and except the Common Areas.

Section 2.8 "Member" shall mean every person or entity that owns a Lot in the Subdivision. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. If the Owner of a Lot is a corporation, association, institution or other group, an individual must be designated as the Member for the purposes of using the Common Area and other membership privileges. Other individuals in the group shall be considered guests of the card holding Member.

Section 2.9 "Owner" shall mean and refer to one or more persons or entities who are reflected as owning a Lot in the Subdivision according to the Official Public Records of San Jacinto County Clerk and does not include purchasers under contract of sale.

Section 2.10 "Restrictions" shall mean the recorded 2022 Restated and Amended Holiday Shores Restrictions Subdivision 2 - Holiday Harbor Section Nos. 7, 8 and 9, as may be duly amended.

Section 2.11 "Subdivision" shall mean Holiday Shores Subdivision Two Holiday Harbor Sections Seven, Eight and Nine according to the maps and plats thereof recorded in Volume 44, Page 713 of the Plat Records of San Jacinto County, Texas.

Section 2.12 "Voting Member" shall include one Member representing any family or group owning at least one Lot. No more than one voting Member shall represent any single Lot.

ARTICLE III

PURPOSE

The Association is organized exclusively for the promotion of social welfare, the encouragement of civic pride, the maintenance of healthy, sanitary and safe recreational facilities, to protect and enforce deed restrictions, to protect property values and to promote unity in Holiday Shores Subdivision Two Holiday Harbor Sections Seven, Eight and Nine. The Association shall have the authority and obligation to collect maintenance fees, and determine assessments as provided herein, from each Lot Owner in the Subdivision, and to administer and spend funds for the mutual benefit of said Lot Owners.

ARTICLE IV

MEETINGS OF MEMBERSHIP

Section 4.1 Authority. The membership shall be the supreme governing body of this Association through its power to elect the Board of Directors. Duly called membership meetings shall be held to elect Board Members.

Section 4.2 Regular Meetings of the Membership. There shall be an annual Member meeting of the Association which shall be held in April or May each year or at such date and/or time as the Board may designate. All meetings of the Association shall be held at such a place as the Board may designate.

Section 4.3 Special Meeting of Members. Any meeting of Members of the Association may be called by the following methods:

- 1) The President may call a meeting of the membership, by written notice, stating the purpose of the meeting.
- 2) It shall be the duty of the President to call a meeting of the membership upon written request of ten percent (10%) of the Lots in the Subdivision. The notice of special meeting shall state the purpose, date and time of the meeting. The business transacted at such meetings shall be confined to the purpose, or purposes, stated in the notice.

Section 4.4 Notification of Membership. The Membership shall be notified of all regular and special Member meetings by postal mail, or electronic media (including, but not limited to, email), to the last known postal or email address of record with the Secretary. A minimum of thirty (30) days notice shall be required for all membership meetings. It is the Owner's duty to keep an updated email address registered with the Association.

Section 4.5 Quorum. At any meeting of the Members of the Association, a quorum shall constitute fifty-five percent (55%) of the Members/Owners. Accepted Methods of Voting shall be properly registered with the Secretary and will be included in the count for a quorum. In the absence of a quorum at the meeting of the Members, the meeting shall be adjourned and immediately reconvened for the purpose of conducting election of Directors. The quorum required for election of Directors at the reconvened meeting shall be the number of votes cast in person, by proxy, by absentee or mailed ballot, and electronic ballot. For the purposes other than the election of Directors, if at the meeting the required quorum is not present, all other actions are considered failed.

Section 4.6 Methods of Voting

The voting rights of a Member may be cast or given: (TPC 209.00592)

- 1) In person or by proxy at a meeting of the Association;
- 2) By absentee or mailed ballot; or
- 3) By electronic ballot or electronic mail and must be verifiable with what is registered at HHCA.

Section 4.7 Proxies. For all Member meetings any Member may designate a third party to vote for them by proxy under the following conditions:

- 1) The proxy must contain the name of the designated person or persons eligible to vote the proxy.
- 2) Proxies must be registered with the Secretary or designee prior to the meeting.
- 3) Proxies must be signed by the Lot Owner.

Section 4.8 Voting. Each Voting Member in the Subdivision is eligible to vote one vote for each Member/Owner regardless of the number of Lots owned in the Subdivision on all HHCA matters presented to the Members for voting. Save and except the approval for change in Maintenance fee. Voting for Maintenance fee changes each Voting Member is entitled to (1) one vote for each Lot owned in the Subdivision because Maintenance fees are levied on each Lot owned in the Subdivision.

ARTICLE V
BOARD OF DIRECTORS

Section 5.1 Authority. The Board of Directors shall direct the affairs of the Association in accordance with the Restrictions and these Bylaws and the laws of Texas. It shall be the authority and responsibility of the Board to pay all taxes, enter into any contracts for the acquisition, building or maintenance of all recreational areas, roads, green areas and Common Area. The Board shall have the authority to borrow money and encumber assets for, and on behalf of, the Association. However, the Directors shall not pledge the Association's Common Property, or borrow funds for any reason, unless approved by a vote of two-thirds (2/3) of the Members present, in person or by proxy, at any meeting. The Board may not sell, transfer or encumber by Deed of Trust, any property of the Association, real or personal, unless approved by a vote of two-thirds (2/3) of the Members present, in person or by proxy at any meeting. The Board shall collect all maintenance or other fees approved by the Association, enforce the Restrictions and take whatever legal action on behalf of the Association that the Board deems necessary, to collect said fees and enforce the Restrictions.

Section 5.2 Election of the Board of Directors. At the annual meeting of the Members there shall be an election of the Board of Directors. The Board of Directors of the Association shall consist of five (5) Directors. The first Board of Directors shall have three (3) Board Members elected for a two (2) year term and two (2) Board Members elected for a one (1) year term. Thereafter, all Directors shall be elected for two (2) year terms.

Section 5.3 Qualifications for Directors. The qualifications for all Directors of this Association are:

- 1) They must be and remain a Member of the Association while a Director.
- 2) They must be eligible to serve on the Board according to the requirements of the Texas Property Code 209.00591.

Any Director of this Association who sells all of his/her property in the Subdivision shall immediately resign and be disqualified as Director and a new Member appointed by the Board of Directors.

Section 5.4 Removal of Directors. Any Director elected by the Association or appointed by the Board may be removed from office by a two-thirds (2/3) vote of the Members present at a meeting called for such purpose.

Section 5.5 Vacancies. All unexpired terms or vacancies on the Board shall be filled by appointment by the Board to serve the unexpired term.

ARTICLE VI

MEETING OF THE DIRECTORS

Section 6.1 Regular Meetings. Regular meetings of the Board of Directors shall be held monthly at such place and hour as may be fixed from time to time, by resolution of the Board. Should said meeting fall upon a legal holiday, then the meeting shall be held at a time specified by the Board, but in no event any later than the next monthly regular meeting. By unanimous vote of the Board, it may choose not to hold the monthly meeting immediately following that in which the vote was held.

Section 6.2 Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three days (3) days notice to each Director.

Section 6.3 Quorum. A majority of the total number of Director positions shall constitute a quorum for the transaction of business. Every act, or decision done, or made by a majority of the Directors present at a duly held meeting at which a quorum is present, shall be regarded as the act of the Board.

ARTICLE VII

OFFICERS AND THEIR DUTIES

Section 7.1 Enumeration of Offices. The officers of the Association shall be a President, who shall be the Chairperson of the Board of Directors; a Vice President; a Secretary; a Treasurer; and Boat Ramp Officer.

Section 7.2 Election of Officers and President.

The President and all officers shall be elected by a majority vote at the annual meeting of the members with each Member/Owner having 1 vote regardless of the number of Lots owned in the subdivision for each position to be voted on. Voting shall be in accordance with the Methods of Voting section.

Section 7.3 Terms. All Officers shall hold office for two years, unless such officer shall resign sooner, or shall be removed by the Board, or is otherwise disqualified to serve.

Section 7.4 Resignation and Removal. Any elected official may be removed from office with, or without cause, by the Board. Any officer may resign at any time by giving written notice to the Board, the President or Secretary. Such resignation shall take effect on the date of receipt of such notice or any later time specified therein. Unless otherwise specified therein the acceptance of such resignation shall not be necessary to make it effective.

Section 7.5 Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer replaced.

Section 7.6 Multiple Officers. Any person may simultaneously hold more than one of any of the offices, except President.

Section 7.7 **Duties.** Authority and duties of the officers are as follows:

President

The President, with the approval of the Board, shall see that the orders and resolutions of the Board are carried out, shall have authority to hire, pay and terminate maintenance personnel, execute contracts for maintenance and repair of facilities and equipment, authorize purchase of supplies and equipment, payment of bills, receipt and deposit of all monies in an appropriate bank account of the Association and sign all leases, mortgages, deeds and other written instruments and promissory notes, on behalf of the Association. In no case shall the President act on an independent basis without prior Board approval. Any contract or special agreement entered into by the President on behalf of the Association, without the approval of the Board, shall be considered null and void.

Vice President

The Vice President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of the Vice President by the Board.

Secretary

The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses and shall perform such other duties as required by the Board. The Secretary shall co-sign all agreements, contracts, deed and other written instruments to which the Association is a party. Any agreement, contract, or other written instrument which is not co- signed by the Secretary, shall be null and void.

Treasurer

The Treasurer shall co-sign all disbursements of all funds and shall co-sign all checks and promissory notes of the Association; keep proper, accurate and timely books of accounts; and assist the Board in preparation of an annual budget and a financial statement for presentation to the membership at its annual May meeting. The Treasurer shall also be required to furnish the Board of Directors, at each monthly meeting, such budget status and financial data necessary to insure adequate control of operations and funds.

Boat Ramp Officer

The Boat Ramp Officer shall be responsible to supervise the use and maintenance of the Association's boat ramp.

ARTICLE VIII **EXPENDITURES**

Section 8.1 **Budget.** The Treasurer shall present a budget in writing to the Board for its approval.

Section 8.2 **"Disbursement of Funds".** Two signatures shall be required on all checks when disbursing funds. Funds may only be disbursed by check. Checks shall be signed by at least two Directors. Checks may not be drawn to cash, nor may the payee be one of the payer signatures. Receipts shall be collected for all monies expended other than salaries and/or for contract services. However, signed and approved contracts must be on file before payment thereof. All contracts must be approved by the Board to be valid.

Section 8.3 **Fiscal Year.** The fiscal year of this Association shall be the calendar year.

ARTICLE IX **COMMITTEES**

Section 9.1 **Committees.** All committees shall be appointed by the President each year and approved by the Board of Directors.

Section 9.2 **Architectural Control Committee.** The Board of Directors shall appoint a three (3) person Architectural Control Committee (the "Committee"). Their duty is to review and approve or deny building plans submitted for approval. When an application is received the applicant shall be notified, in writing, within thirty (30) days of approval or denial and of any action to be taken by the applicant to obtain approval. Any Director or Committee Member who has a personal, financial, or other direct individual interest in any particular action of the Committee which could constitute a conflict of interest, shall abstain from participating in that action and shall have no more authority than that of any other Member of the Association.

Section 9.3 **Nominating Committee.** At least ninety (90) days before the annual Member meeting for the election of the Board, the President shall appoint a Nominating Committee. The Nominating Committee shall, within thirty days of the election meeting, present to the membership by mail, electronic mail, or website their recommended slate of candidates for the Board of Directors. Nothing in these Bylaws shall be construed to prevent nominations from the floor at the election meeting. At each election of Directors every Member entitled to vote shall have the right to vote for as many persons as there are Directors to be elected.

ARTICLE X **AMENDMENTS**

These Bylaws may only be amended by fifty-five percent (55%) vote of the Members/Owners in the subdivision of HHCA with each Owner having one (1) vote regardless of the number of Lots owned in the subdivision.

ARTICLE XI

REGULATIONS

"Rules and Regulations" may be adopted, amended and enforced by the Board of Directors. The Rules and Regulations may establish policy and govern conduct of activities for the boat launching facilities, recreational parks, boat ramps, docks, and any other Common Areas of activity which the Board of Directors deems appropriate for the benefit and protection of the general membership.

ARTICLE XII

ORDER OF BUSINESS

The following agenda shall be adhered to for all meetings of the Association except in the case of when the Directors include the agenda with the notification of meetings to the membership:

- 1) Community Forum or Guest if scheduled.
- 2) Dismissal of Forum or Guest.
- 3) Call to order.
- 4) Establish a quorum.
- 5) Approval of minutes of last meeting.
- 6) Treasurer's Report.
- 7) Committee Reports.
- 8) Unfinished business.
- 9) New business.
- 10) Adjournment of regular session.
- 11) Executive session, if required.

Any Association member or guest wishing to address the Board shall provide to the Chairperson, or his/her designate, a written notice to topic(s) and purpose(s) 3 days prior to the start of the meeting.

ARTICLE XIII

FINANCIAL REVIEW

The Treasurer shall submit the financial records to a Committee Member(s) qualified in the process of audit and approved by the Board of Directors annually for the purpose of allowing the Audit Committee Member(s) adequate time to prepare the annual report to be presented to the Members at the annual meeting. No Member of the Board of Directors of HHCA shall serve simultaneously on the Audit Committee.

PLEASE RETURN TO:

HOLIDAY HARBOR COMMUNITY ASSOCIATION
3 MARINA DR.
COLDSRING, TX 77331