

BY-LAWS

OF

CANYON LAKE VILLAGE WEST PROPERTY OWNERS ASSOCIATION

(A non-profit corporation)

Canyon Lake, Texas

(As amended on 6-09-09)

ARTICLE I

OFFICES:

Principal Office

A. The principal office of the Corporation in the State of Texas shall be located in Comal County, Texas. The Corporation may have such other offices, either within or without the State of Texas, as the Board of Directors may determine or as the affairs of the Corporation may require from time to time.

Registered Office and Registered Agent

B. The principal office of the Corporation in the State of Texas shall be located in Comal County, Texas. The Corporation may have such other offices, either within or without the State of Texas, as the Board of Directors may determine or as the affairs of the Corporation may require from time to time.

ARTICLE II

PURPOSE

A. The Canyon Lake Village West Property Owners Association is established as a non-profit corporation organized for the purpose of constructing, owning, operating, and maintaining the commonly owned parks and recreational facilities of the Village West Subdivision and all usual and necessary accessories thereto, assessing and collecting the annual fees for the maintenance thereof as prescribed in the Subdivision Restrictions, administering the Subdivision Restrictions and Regulations, representing Village West property owners in relations with public agencies and other organizations, and engaging in such other activities as are intended to promote the general welfare and common interests of the lot owners.

B. The principal functions of the Corporation shall include, but not be limited to, the following:

1. Assess, collect, and disburse the annual maintenance fees provided for by the Subdivision Restrictions.
2. Oversee proper operation, maintenance, and use of the parks, private roads, and recreational facilities of the Subdivision. Establish and enforce the rules and regulations regarding the use of these facilities.

No more than \$7,500.00 per project may be spent or committed to without approval of a simple majority of the eligible voting members present at the Annual Meeting or a Special Meeting called by the Board of Directors or by mail in ballots, as provided by the Board of Directors, received one day prior to the meeting.

3. Provide for architectural review of all construction and upkeep of properties in the Subdivision by overseeing adherence to established restrictions and building standards.
4. Oversee the regulations pertaining to the Subdivision and unauthorized use of its facilities by outsiders and ineligible lot owners.
5. Represent the Village West lot owners in dealing with the Corps of Engineers, County Commissioners, law enforcement authorities, tax agencies, public utilities, and other public authorities and agencies.
6. Cooperate with other similar organizations in pursuing common interests and objectives.
7. Promote social interchange and community spirit among residents.

ARTICLE III

MEMBERSHIP

- A. The members of the Corporation shall be owners of record title or purchasers under contract of sale of residential lots in the Village West Subdivision of Comal County, Texas, and on which said lots the assessment fee as stated in the latest instrument for the restrictions, covenants, conditions, easements, assessments, liens and restrictions as filed of record in the Comal County Deed Records of the State of Texas as same pertain to the Village West Subdivision and the lot owners thereof, are not delinquent, but are current and fully paid as set forth in said recorded instrument.
- B. Membership in this Corporation shall not be transferable or assignable except by sale or other such legal transfer of ownership of a lot in the Village West Subdivision.
- C. Each member who is not delinquent in payment of dues and assessments to the Corporation shall be entitled to one vote on each matter submitted to a

vote of the Members, subject to the voting restrictions provided in the Articles of Incorporation of the Corporation. For all annual meeting and special membership meetings called by the Board of Directors mail in voting ballot may be submitted by U.S. mail or overnight mail service to an Independent Third Party chosen by the Board of Directors. Mail in voting ballot must be received one day prior to the annual meeting or special called meeting in order to be counted.

- D. Non-payment of maintenance fees as specified in the Subdivision Restrictions shall constitute loss of membership, voting rights, use of facilities and other related privileges until such time as assessments, fees and penalties have been paid in full.
- E. The Board of Directors shall provide for the issuance of certificates or other such evidence of membership in the Corporation, which shall be in such form and signed by such Officers of the Corporation as may be determined by the Board. The name and address of each member and the date of issuance of the certificate shall be entered in the records of the Corporation. If any certificate shall become lost, mutilated, or destroyed, a new certificate may be issued therefore on such terms and conditions as the Board may determine.

ARTICLE IV

DIRECTORS AND OFFICERS

A. Board of Directors

- 1. The affairs of the Corporation shall be managed by a Board of Directors consisting of a minimum of (5), possibly (7), but no more than nine (9) members to be elected by the membership at its Annual General Meeting to serve alternating two-year terms.
- 2. Directors of the Corporation must be residents of Texas and owners of lots in the Village West Subdivision and must be current in the payment of their Subdivision maintenance fees.
- 3. Any vacancy occurring in the Board of Directors because of death, resignation, disqualification, or otherwise, shall be filled by the Board of Directors on an interim basis until the next annual General Meeting at which time members shall elect a replacement.
- 4. Any Director elected by the Members may be removed by the Members whenever, in their judgment, the best interests of the Corporation would be served thereby. A majority vote of a minimum of 15 members present at a monthly meeting.

B. Officers

- 1. At its first meeting following the Annual General Meeting, members of the Board of Directors shall elect a President, Vice-President, Secretary, and Treasurer to serve as Officers of the Corporation.

2. The Board of Directors may elect or appoint from time to time such other officers or assistants as it deems desirable to have such duties and authority as it may prescribe.
3. The officers so elected shall hold office until the first meeting after the Annual Meeting, after which new officers will be elected.
4. Any officer elected or appointed by the Board may be removed from that office by a majority vote of the Board whenever, in its judgment, the best interests of the Corporation would be served thereby.

C. The principal duties of the officers of the Corporation shall be as follows:

1. The President shall be the principal executive officer of the Corporation and shall in general supervise, control, and coordinate all of the business and affairs of the Corporation. He shall preside at all meetings of the Members and of the Board of Directors. He may sign, with the Secretary or any other officer of the Corporation so authorized by the Board, any deeds mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws or by statute to some other officer or agent of the Corporation; and in general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors.
2. The Vice-President shall, in the absence of the President or in the event of his inability or refusal to act, perform the duties of the President, and, when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall perform such other duties as from time to time may be assigned to him by the President or Board of Directors.
3. The Secretary shall keep the minutes of the meetings of the Members and of the Board of Directors; give all notices in accordance with the provisions of these By-Laws or as required by law; be custodian of the corporate records and of the seal of the Corporation and affix the seal of the Corporation to all documents, the execution of which on behalf of the Corporation is- duly authorized in accordance with the provisions of these By-Laws; keep a register of the post office address of each member; and, in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.
4. The Treasurer shall have charge and custody and be responsible for all funds and securities of the Corporation, receive and give receipts for

moneys due and payable to the Corporation, and deposit all such moneys in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article X-E of these By-Laws; oversee the assessment and collection of maintenance fees to be paid by all the Village West lot owners and the records kept thereof; and, in general, perform all the duties incident to the office of Treasurer and such other duties as may be assigned to him by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give bond for the faithful discharge of his duties in such sum and with such surety as the Board shall determine.

ARTICLE V

COMMITTEES

- A. Decisions and policies of the Board of Directors shall be carried out by four (4) standing committees. These committees shall include (1) a Maintenance Committee, (2) an Architectural Committee, and (3) a Social Committee and (4) a Communications Committee.
- B. Other special committees may be established by the Board of Directors from time to time as deemed necessary to perform such duties or functions as the Board may prescribe.
- C. Members of the Committees shall be appointed by the President, with the Committee chairman to be selected by the members of the Committee. Insofar as possible, the members of the Committees shall be selected from the Board of Directors, in accordance with their individual abilities and personal preferences; but if there are insufficient Directors available to adequately staff the Committees, appointments may be made from the general membership; but in all cases a member of the Board of Directors shall be placed in charge of each Committee.
- D. The duties and responsibilities of the Standing Committees shall include, but not be limited to, the following:
 1. Maintenance Committee
 - a. Look after the maintenance of the pool, parks, private roads, and all recreational facilities of the Subdivision.
 - b. Advise the Board of maintenance requirements and costs.
 - c. Define the duties of, select, and supervise the work of the Subdivision Caretaker.
 - d. Obtain bids, purchase supplies and equipment, arrange maintenance and

repair work as authorized by the Board of Directors, supervise work performed, assure conformance to specifications.

- e. Procure and coordinate voluntary assistance for maintenance and construction work.
- f. Deal with County Commissioners regarding the maintenance of County roads within the Subdivision and with any other County officials regarding matters pertaining to their jurisdiction.
- g. Provide reasonable oversight of Subdivision facilities and enforcement of Pool and Park Area Regulations.

2. Architectural and Safety Committee

- a. Provide guidelines and review and approve plans for all construction in the Subdivision to assure conformance to Subdivision Restrictions and proper building standards.
- b. Where deed restrictions limit the height of a building or structure to “one story construction”, the roof level shall not exceed seventeen (17) feet above the center line of the road easement without regard to whether the building is one or more stories, (added 12-02-88)
- c. Oversee adherence to established restrictions with respect to proper use and upkeep of Subdivision properties.
- d. Plan and carry out beautification projects.
- e. Keep up to date on local building code and permit requirements and advise lot owners in this regard.
- f. Maintain liaison with local fire departments, law enforcement authorities, and the Corps of Engineers with respect to safety matters.
- g. Provide reasonable surveillance of Subdivision facilities and enforcement of Pool and Park Area Regulations.

3. Social Committee

- a. Plan, coordinate and control all group activities.
- b. Determine cost of activities and request donations from participants to recover cost on a non-profit basis.
- c. Review need for associate membership (non-resident)

4. Website Committee

- a. For the maintenance and monetary updating of Village West Property Owners Association website, or, as needed, with current community information for the membership.

- 5. In addition to the above duties, the Standing Committees shall carry out other related functions as instructed by the Board of Directors and will review and recommend changes in the Subdivision Restrictions and Regulations within their areas of responsibility, subject to approval of

the Board of Directors, Members, or lot owners as required.

ARTICLE VI
COMPENSATION AND INDEMNIFICATION

A. Compensation of Directors and Officers

Directors and Officers of the Corporation shall receive no monetary compensation for their services and, in order to prevent any conflict of interest, may not be employed or contracted by the Board to perform any services for which they are to be paid, except for reimbursement of out-of-pocket expenses incurred in the performance of their duties. They may, however, resign their positions to accept such employment and be replaced by interim appointment as prescribed in Article IV above.

B. Indemnification of Directors and Officers

Directors and Officers of the Corporation shall not be subject to any personal liability in connection with the performance of their corporate duties; and every Director or Officer shall be indemnified by this Corporation against all expenses and liabilities, including counsel fees, reasonably incurred or imposed upon him, in connection with any controversy to which he may be made a party or in which he may become involved, by reason of his being or having been a Director or Officer of this Corporation, whether or not he is a Director or Officer at the time such expenses are incurred, unless the Director or Officer involved is adjudged guilty of negligence or misconduct in the performance of his duties in connection with the subject of such controversy; provided, that in the event of a voluntary settlement of any such controversy by the Officer or Director involved, the indemnification provided herein shall apply only when the Board of Directors approves such settlement and any reimbursement to such involved Director or Officer as being in the best interest of the Corporation. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or Officer may be entitled.

ARTICLE VII

MEETINGS OF MEMBERS

A. Annual Meeting

A general meeting of the Members of the Corporation will be held each year to review activities and financial status of the Corporation, elect Directors, consider proposed changes in Subdivision Regulations and By-Laws, consider any changes in fees and assessments, adopt budget and to conduct such other business as may properly be brought before the meeting.

1. Such meeting will normally be held on the first Friday in December at 7:00

- p.m. at the Village West Clubhouse,
2. Written or printed notice of the Annual Meeting will be mailed to all member owners no less than ten (10) nor more than thirty (30) days before the date of such meeting, including an agenda of the matters to be discussed.

B. Special Meetings

Special meetings of the Members may be called by the Board of Directors as required with notice of time, place, and purpose of the meeting to be mailed to all Members no less than ten (10) nor more than thirty (30) days before the date of such meeting.

C. Voting Procedures

Voting rights at all meetings of the Members shall be in accordance with Article III-C of these By-Laws, and all matters shall be decided by majority vote.

D. Quorum of Members

Fifteen (15) Members of the Corporation shall constitute a quorum.

ARTICLE VIII

BOARD OF DIRECTORS MEETINGS

- A. Regular meetings of the Board of Directors shall be held monthly or more frequently, as required, without other notice than this By-Law, to transact the normal business of the Corporation. The time and place of these meetings shall be determined from time to time by the Board.
- B. The monthly Board of Directors meetings shall be open to the general membership; however, any member wishing to bring up a matter at the meeting must notify the Secretary at least seven (7) days in advance so that it may be placed on the agenda.
- C. Special meetings of the Board of Directors may be called by the President, as required. Notice of any such special meetings of the Board shall be given at least three (3) days previously by verbal notice delivered personally or by written notice sent by mail to each Director at his address as shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail with postage there on prepaid. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these By-Laws.
- D. Quorum

A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but, if a lesser number of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

E. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these By-Laws.

F. Any action required by law to be taken at a meeting of Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by a majority of the Directors.

ARTICLE IX

RULES OF ORDER

The rules in Roberts Rules of Order (75th Anniversary Edition) shall govern the organization in all cases in which they are applicable and in which they are not inconsistent (in conflict) with these By-Laws.

ARTICLE X

SOURCE, USE, AND CONTROL OF FUNDS AND PROPERTY

A. Source of Funds

1. The principal source of funds to be used by the Corporation in carrying out its activities shall be the annual maintenance fees as provided in the Subdivision Restrictions.
2. No other fees, dues, or assessments shall be imposed unless approved by vote of a majority of the Members present at the Annual Meeting or at a Special Meeting of Members called for such purpose or by mail in ballot as provided by Article III C herein.
3. The Board of Directors may accept on behalf of the Corporation any contributions, gifts, bequests, or devises, monetary, material, or otherwise, to be used for the general purposes or special purpose of the Corporation, and may engage in special fund-raising campaigns as it deems necessary to meet the financial needs of the Corporation.
4. Expenditures incurred, principally by the Social Committee, in the conduct of group activities, etc., will be recovered from donations, fees, etc., as appropriate on a non-profit basis.

B. Use of Funds

1. The Board of Directors shall have full authority to expend corporate funds as it deems necessary to carry out the established purposes and objectives of the Corporation, subject to the following restrictions and limitations:
 - a. Unless otherwise approved by the Members, the funds and assets of the Corporation may be used only for the general benefit of the

Village West lot owners as a whole, in accordance with the purposes and objectives as established in Article II above.

- b. Expenditures shall be limited to funds currently available (income on a year-to-year basis). No debt shall be incurred or properties mortgaged except as approved by the Members.
- c. No funds shall be spent for additional facilities (capital assets) or for major improvements, nor shall existing facilities or properties be disposed of, without the approval of the Members.
- d. The approval required for exceptions to the foregoing restrictions and limitations shall consist of a majority vote of the Members attending the Annual Meeting or a special meeting of the Members called for such purpose or mail in ballot.

C. Contracts

The Board of Directors may authorize any Officer or Officers, agent or agents of the Corporation, in addition to the Officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances.

D. Checks and Drafts

All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such Officer or Officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer.

- E. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in depositories as the Board of Directors may select.

ARTICLE XI

BOOKS AND RECORDS

- A. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Members, Board of Directors, and Committees having any of the authority of the Board of Directors, and shall keep at the Registered or Principal Office records giving the names and addresses of the owners of all lots in the Village West Subdivision, maintenance fees paid and due, and names and addresses of the Members entitled to vote. All books and records of the Corporation may be inspected by any Member or his agent or attorney for any proper purpose at any reasonable time.
- B. The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December each year.

ARTICLE XII

WAIVER OF NOTICE

Whenever any notice is 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 By-Laws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XIII

AMENDMENT OF BY-LAWS

These By-Laws may be altered, amended, or repealed and new By-Laws may be adopted by a majority of the Board of Directors, except as otherwise provided in these By-laws where under a vote by the membership is required, The membership may propose changes in the By-Laws for consideration of the Board of Directors at the Annual Meeting or at the monthly meetings of the Board of Directors, provided that proper notification be given in accordance with Article VIII-B above.

APPROVED BY:

Director

Director

Director

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CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of **CANYON LAKE VILLAGE WEST PROPERTY OWNERS ASSOCIATION;**

That the foregoing By-Laws constitute the By-Laws of said Association, as duly adopted by a meeting of the Board of Directors where a quorum was present held on the ____ day of **June, 2009.**

IN WITNESS WHEREOF, I have hereunto subscribed my name and

affixed the seal of the Association this ____ day of **June, 2009**.

Secretary

STATE OF TEXAS §
COUNTY OF COMAL §

BEFORE ME, on this day personally appeared _____, Secretary of **CANYON LAKE VILLAGE WEST PROPERTY OWNERS ASSOCIATION** known by me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity therein and herein stated, and as the act and deed of said corporation.

Given under my hand and seal of office, this ____ day of **June, 2009**.

Notary Public, State of Texas