

SUNDIAL OWNERS ASSOCIATION BYLAWS  
TABLE OF CONTENTS

1.1. PURPOSE OF BYLAWS. ....	1
1.2. REVOCATION .....	1
1.3. PARTIES TO BYLAWS .....	1
1.4. DEFINITIONS .....	1
a. "Apartment", "Unit" or "Apartment Unit" .....	1
b. "Association" .....	1
c. "Director" .....	1
d. "Governing documents" .....	2
e. "Majority" .....	2
f. "Member" .....	2
g. "Officer" .....	2
h. "Owner" .....	2
i. "Resident" .....	2
1.5. NONPROFIT PURPOSE .....	2
1.6. COMPENSATION .....	2
1.7. GENERAL POWERS AND DUTIES .....	3

ARTICLE 2  
BOARD OF DIRECTORS

2.1. QUALIFICATION .....	3
2.2. NUMBER AND TERM OF OFFICE .....	3
2.3 INITIAL AND TERMS OF DIRECTORS .....	3
2.4. ENTITY MEMBER .....	4

2.5. CO-OWNERS .....	4
2.6. DELINQUENCY.....	4
2.7. ELECTION.....	4
2.8. VACANCIES .....	4
2.9. REMOVAL OF DIRECTORS.. .....	5
2.10. ADVERSE DIRECTOR INTEREST.....	5
2.11. MEETINGS OF THE BOARD.....	5
2.11.1. Organizational Meeting of the Board.....	5
2.11.2. Regular Meetings of the Board.....	5
2.11.3. Special Meetings of the Board.....	5
2.11.4. Conduct of Meetings.....	6
2.11.5. Quorum.....	5
2.11.6. Open Meetings.....	6
2.11.7. Telephone Meetings .....	6
2.11.8. Action Without a Meeting.....	7
2.12. LIABILITIES AND STANDARD OF CARE.....	7
2.13. POWERS AND DUTIES.....	7
2.13.1. Appointment of Committees.....	7
2.13.2. Manager. ....	7
2.13.3. Fines. ....	7
2.13.4. Delinquent Accounts. ....	8
2.13.5. Fidelity Bonds.....	8
2.13.6. Errors and Omissions and/or Liability Insurance Coverage.....	8
2.13.7 Fees and Assessments .....	8

ARTICLE 3  
OFFICERS

3.1. DESIGNATION .....	8
3.2. ELECTION OF OFFICERS .....	8
3.3. REMOVAL AND RESIGNATION OF OFFICERS .....	8
3.4. STANDARD OF CARE .....	9
3.5. DESCRIPTION OF PRINCIPAL OFFICES .....	9
3.5.1. President .....	9
3.5.2 Vice-President .....	10
3.5.3. Secretary .....	10
3.5.4. Treasurer .....	10
3.6. AUTHORIZED AGENTS .....	10

ARTICLE 4  
COMMITTEES

4.1 STANDING COMMITTEES .....	11
-------------------------------	----

ARTICLE 5  
MEETINGS OF THE ASSOCIATION

5.1. ANNUAL MEETING .....	11
5.2. SPECIAL MEETINGS .....	11
5.3. PLACE OF MEETINGS .....	11
5.4. NOTICE OF MEETINGS .....	11
5.5. RECORD DATES .....	12

5.6. VOTING MEMBERS LIST .....	12
5.7. QUORUM. ....	12
5.8. VOTES.....	12
5.10. Co-Owned Units.....	12
5.10.1. Corporation-Owned Units .....	12
5.10.3. Association-Owned Units .....	13
5.10. PROXIES .....	13
5.11. CONDUCT OF MEETINGS .....	14
5.12. ORDER OF BUSINESS .....	13
5.13. ADJOURNMENT OF MEETING .....	15
5.14. ACTION WITHOUT MEETING .....	15
5.15. TELEPHONE MEETINGS .....	15

## ARTICLE 6 RULES

6.1. RULES .....	15
6.2. ADOPTION AND AMENDMENT.....	16
6.3. NOTICE AND COMMENT.....	16
6.4. DISTRIBUTION.....	16

ARTICLE 7  
ENFORCEMENT

ARTICLE 8  
OBLIGATIONS OF THE OWNERS

8.1. NOTICE OF SALE .....	17
8.2. PROOF OF OWNERSHIP .....	17
8.3. OWNERS' ADDRESSES .....	17
8.4. REGISTRATION OF MORTGAGEES .....	18
8.5. ASSESSMENTS .....	18
8.6. COMPLIANCE WITH DOCUMENTS .....	18

ARTICLE 9  
ASSOCIATION RECORDS

9.1. RECORDS .....	18
9.2. INSPECTION OF BOOKS AND RECORDS .....	19

ARTICLE 10  
NOTICES

10.1. CO-OWNERS .....	19
10.2. DELIVERY OF NOTICES .....	19
10.3. WAIVER OF NOTICE .....	19

ARTICLE 11  
AMENDMENTS TO BYLAWS

11.1. PROPOSALS ..... 20

11.2. CONSENTS ..... 20

11.3. EFFECTIVE ..... 20

ARTICLE 12  
GENERAL PROVISIONS

13.1. CONFLICTING PROVISIONS ..... 20

13.2. SEVERABILITY..... 20

13.3. FISCAL YEAR ..... 21

13.4. WAIVER ..... 21

THE SUNDIAL OWNERS ASSOCIATION, INC.  
(A Texas Nonprofit Corporation)

ARTICLE 1  
INTRODUCTION

1.1. PURPOSE OF BYLAWS. These bylaws provide for the governance of the interval Owners apartments of the Mustang Towers Condominium, located in the City of Corpus Christi, Nueces County, Texas, subject to and more fully described in the Mustang Towers Condominium Declaration dated December 16, 1982 filed for record in the Nueces County Clerk's Condominium records on December 21, 1982, under Clerk's file No. 298023, and recorded in Volume 21, page 259-358 (the "Declaration").

1.2. REVOCATION. All prior Bylaws and all Amendments or Supplements thereto are hereby revoked in their entirety, and are replaced with these Bylaws.

1.3. PARTIES TO BYLAWS. All present or future unit interval owners and all other persons who use the condominium in any manner are subject to these bylaws and the other governing documents as defined below. The mere acquisition or occupancy of a unit will signify that these bylaws are accepted, ratified, and will be strictly followed.

1.4. DEFINITIONS. Words and phrases defined in the declaration shall have the same meanings when used in these bylaws. Unless defined otherwise in the declaration or in these bylaws, words and phrases defined in Section 82.003 of the Texas Uniform Condominium Act ("TUCA") shall have the same meaning when used in these bylaws. The following words and phrases shall have specified meanings when used in these bylaws: [TUCA §82.003(b)]

a. "Apartment", "Unit" or "Apartment Unit" means any apartment sold under a plan of interval Owners as referenced in Section 7 of the Declaration of Condominium of Mustang Towers Condominium.

b. "Association" means the Sundial Owners Association, Inc.

c. "Director" means a director of the Association.

d. "Governing documents" means, collectively, the declaration, these bylaws, the articles of incorporation of the Association, and the rules and regulations of the Association, as any of these may be amended from time to time.

e. "Majority" means more than 50 percent.

f. "Member" means a member of the Association, each member being an interval apartment unit owner, unless the context indicates that member means a member of the board of directors or a member of a committee of the Association.

g. "Officer" means an officer of the Association. "President," "Secretary," "Treasurer," and "Vice-President" mean, respectively, the president, secretary, and treasurer of the Association.

h. "Owner" mean a person who owns a unit week(s), whether in common or jointly, within the condominium project, but does not include a person holding a security interest.

i. "Resident" means the occupant of a unit, whether or not such occupant is a unit owner.

1.5. NONPROFIT PURPOSE. The Association is not organized for profit.

1.6. COMPENSATION. A director, officer, member, or resident shall not be entitled to receive any pecuniary profit from the operation of the Association, and no funds or assets of the Association may be paid as a salary or as compensation to, or be distributed to, or inure to the benefit of a director, officer, member, or resident; provided, however: [TNPCA Art. 1396-2.24.A]

a. that reasonable compensation may be paid to a director, officer, member, or resident for services rendered to the Association;

b. that a director, officer, member, or resident may, from time to time, be reimbursed for his actual and reasonable expenses incurred on behalf of the Association in connection with the administration of the affairs of the Association, provided such expense has been approved by the board; and Texas Uniform Condominium Act.



c. that this provision does not apply to distributions to unit owners permitted or required by the declaration or TUCA.

1.7. GENERAL POWERS AND DUTIES. The Association, acting through the board, shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the condominium as may be required or permitted by the governing documents and State law. The Association may do any and all things that are lawful and which are necessary, proper, or desirable in operating for the best interests of its members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the governing documents.

## ARTICLE 2 BOARD OF DIRECTORS

2.1. QUALIFICATION. No person shall be eligible for election or appointment to the board unless such person is a member and current on all fees and/or assessments.

2.2. NUMBER AND TERM OF OFFICE. The board shall consist of seven positions - Place One, Two, Three, Four, Five, Six and Seven. Upon election, each director shall serve a term of two years, except for the initial year.

2.2.1. Three Directors, one for Places Two, Four and Six shall be elected in even-numbered years, and four Directors for Places One, Three, Five and Seven shall be elected in odd-numbered years.

2.2.2. A director takes office upon the adjournment of the meeting or balloting at which he is elected or appointed and, absent death, ineligibility, resignation, or removal, will hold office until his successor is elected or appointed.

2.2.3 The number of directors may be changed by amendment of these bylaws, but shall not be less than three.

2.3 Upon the membership's approval of these Bylaws, at the same called special meeting, the membership shall elect Directors for Places One, Two, Three, Four, Five, Six and Seven. The first and initial term of offices for

Places One, Three, Five and Seven shall be for one year, and the first initial term of office for Places Two, Four, and Six shall be for two years.

2.3.1 Nominations for the initial seven directors shall be made made at the same called Special meeting and sections 2.7 and 2.7.1 shall not apply at this Special called meeting.

2.4. ENTITY MEMBER. If a unit is owned by a legal entity, such as a partnership or corporation, any officer, partner, Trustee, or employee of that entity member shall be eligible to serve as a director and shall be deemed to be a member for the purposes of this section. If the relationship between the entity member and the director representing it terminates, that directorship shall be deemed vacant.

2.5. Co-OWNERS. Co-owners of a single unit may not serve on the board at the same time. Co-owners of more than one unit may serve on the board at the same time, provided the number of co-owners serving at one time does not exceed the number of units they co-own.

2.6. DELINQUENCY. No member may be elected or appointed as a director if any assessment against the member or his unit is delinquent at the time of election or appointment. No member may continue to serve as a director if any assessment against the member or his unit is more than 90 days' delinquent.

2.7. ELECTION. Directors shall be elected by the members. The election of directors shall be conducted at the annual meeting of the Association, or at any special meeting called for that purpose, or by mail, facsimile transmission, or a combination of mail, email or facsimile transmission.

2.7.1 All nominations for directorships must be submitted in writing 10 days before the annual meeting date, and there shall be no "floor" nominations at the annual or special meetings except in the event where there has not been a nomination for a vacancy.

2.8. VACANCIES. Vacancies on the board caused by any reason, except the removal of a director by a vote of the Association, shall be filled by a vote of the majority of the remaining directors, even though less than a quorum, at

any meeting of the board. Each director so elected shall serve out the remaining term of his predecessor.

**2.9. REMOVAL OF DIRECTORS.** At any annual meeting or special meeting of the Association, any one or more of the directors may be removed with or without cause by members representing at least two-thirds of the votes present in person or by proxy at such meeting, and a successor shall then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the members shall be given an opportunity to be heard at the meeting.

2.9.1. Non-participation: Should any director miss three meetings without good cause during a 12 month period then that director's position shall be deemed vacant.

2.9.2. Good cause shall be determined by the Board of Directors.

**2.10. ADVERSE DIRECTOR INTEREST.** If a Director brings suit against the Association or Mustang Towers Condominium or its Council of Co-Owners the Board of Directors may remove that Director.

**2.11. MEETINGS OF THE BOARD.**

2.11.1. Organizational Meeting of the Board. Within 10 days after the annual meeting, the directors shall convene an organizational meeting for the purpose of electing officers. The time and place of such meeting shall be fixed by the board and announced to the directors.

2.11.2. Regular Meetings of the Board. Regular meetings of the board may be held at such time and place as shall be determined, from time to time, by the board, but at least one such meeting shall be held each calendar quarter. Notice of regular meetings of the board shall be given to each director, personally or by telephone or written communication, at least three days prior to the date of such meeting.

2.11.3. Special Meetings of the Board. Special meetings of the board may be called by the president or, if he is absent or refuses to act, the secretary, or by any two directors. At least three days notice shall be given to each director, personally or by telephone or written communication, which notice shall state the place, time, and purpose of such meeting.

2.11.4. Conduct of Meetings. The president shall preside over all meetings of the board and the secretary shall keep, or cause to be kept, a record of all resolutions adopted by the board and a record of all transactions and proceedings occurring at such meetings. When not in conflict with law or the governing documents, the then current edition of Robert's Rules of Order shall govern the conduct of the meetings of the board.

2.11.5. Quorum. At all meetings of the board, four 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. If less than a quorum is present at any meeting of the board, the majority of those present may adjourn the meeting from time to time. At any such reconvened meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

2.11.6. Open Meetings. Regular and special meetings of the board shall be open to members of the Association; provided that members who are not directors may not participate in any deliberations or discussions unless the board expressly so authorizes at the meeting. The board may adjourn any meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar or sensitive nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

2.11.7. Telephone Meetings. Members of the board or any committee of the Association may participate in and hold meetings of the board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. [TUCA §82.108(c)(1), TNPCA 1396-9.11]

2.11.8. Action Without a Meeting. Any action required or permitted to be taken by the board at a meeting may be taken without a meeting, if all of the directors individually or collectively consent in writing to such action. The written consent shall be filed with the minutes of the board. Action by written consent shall have the same force and effect as a unanimous vote.

2.12. LIABILITIES AND STANDARD OF CARE. In performing their duties, the directors are required to exercise certain standards of care pursuant to State law.

2.13. POWERS AND DUTIES. The board shall have all the powers and duties necessary for the administration of the Association and for the operation and maintenance of the condominium. The board may do all such acts and things except those which, by law or the governing documents are reserved to the members and may not be delegated to the board. Without prejudice to the general and specific powers and duties set forth in laws or the governing documents, or such powers and duties as may hereafter be imposed on the board by resolution of the Association, the powers and duties of the board shall include, but shall not be limited to, the following: [TUCA §82.106(a)(3), §82.102(a)]

2.13.1. Appointment of Committees. The board, by resolution, may from time to time designate standing or ad hoc committees to advise or assist the board with its responsibilities. The resolution shall establish the purposes and powers of each committee created, provide for the appointment of its members, as well as a chairman, and shall provide for reports, termination, and other administrative matters deemed appropriate by the board. Members of committees shall be appointed from among the owners and residents.

2.13.2. Manager. The board may employ a manager or managing agent for the Association, at a compensation established by the board, to perform duties and services authorized by the board.

2.13.3. Fines. The board may levy fines for each day or occurrence that a violation of the governing documents persists after notice and hearing, provided the amount of the fine does not exceed the amount necessary to ensure compliance with the governing documents.

2.13.4. Delinquent Accounts. The board may establish, levy, and collect reasonable late charges for members' delinquent accounts. The board may also establish a rate of interest to be charged on members' delinquent accounts, provided the rate of interest does not exceed 18 percent or the maximum rate permitted by State law, whichever is smaller.

2.13.5. Fidelity Bonds. The board may require that all officers, agents, and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds may be a common expense of the Association.

2.13.6. Errors and Omissions and/or Liability Insurance Coverage. The board shall provide for its Directors, Officers and Employees "Errors and Omissions" and/or liability insurance coverage in order to provide for legal costs and expenses, including indemnity protection, against claims, lawsuits and/or any allegations of malfeasance, negligence, breach of fiduciary duties and/or any type of discrimination or employment claims. The premiums shall be a common expense of the Association.

2.13.7. The Board of Directors shall have the sole authority to set all fees and assessments subject to the advice of the membership.

### ARTICLE 3 OFFICERS

3.1. DESIGNATION. The principal officers of the Association shall be the president, vice-president, secretary, and the treasurer. The president, vice-president and secretary shall be directors. Other officers may, but need not, be members or directors. If an officer is absent or unable to act, the president, or in his absence, the vice-president, may appoint a director to perform the duties of that officer and to act in place of that officer, on an interim basis. [TUCA §82.106(a)(1), TNPCA 1396-2.20.A.+B.]

3.2. ELECTION OF OFFICERS. The officers shall be elected no less than annually by the directors at the organizational meeting of the board and shall

hold office at the pleasure of the board. Except for resignation or removal, officers shall hold office until their respective successors have been designated by the board. [TUCA §82.106(a)(2), TNPCA 1396-2.20.A.]

**3.3. REMOVAL AND RESIGNATION OF OFFICERS.** A majority of directors may remove any officer, with or without cause, at any regular meeting of the board or at any special meeting of the board called for that purpose. A successor may be elected at any regular or special meeting of the board called for that purpose. An officer may resign at any time by giving written notice to the board. Unless the notice of resignation states otherwise, it is effective when received by the board and does not require acceptance by the board. The resignation or removal of an officer who is also a director does not constitute resignation or removal from the board. [TNPCA 1396-2.21]

**3.4. STANDARD OF CARE.** In performing their duties, the officers are required to exercise the standards of care provided by State law.

**3.5. DESCRIPTION OF PRINCIPAL OFFICES.**

**3.5.1. President.** As the chief executive officer of the Association, the president shall:

- (i) preside at all meetings of the Association and of the board;
- (ii) have all the general powers and duties which are usually vested in the office of president of a corporation organized under the laws of the State of Texas;
- (iii) have general supervision, direction, and control of the business of the Association, subject to the control of the board; and
- (iv) see that all orders and resolutions of the board are carried into effect.
- (v) in general perform all the duties incident to the office of president.

3.5.2. Vice-President. The vice-president shall, in the absence of the President, preside at all meetings of the Association and of the board.

3.5.3. Secretary. The secretary shall:

- (i) keep the minutes of all meetings of the board and of the Association;
- (ii) have charge of such books, papers, and records as the board may direct;
- (iii) maintain a record of the names and addresses of the members for the mailing of notices; and
- (iv) in general, perform all duties incident to the office of secretary.

3.5.4. Treasurer. The treasurer shall:

- (i) be responsible for Association funds;
- (ii) keep full and accurate financial records and books of account showing all receipts and disbursements;
- (iii) prepare all required financial data and tax returns;
- (iv) deposit all monies or other valuable effects in the name of the Association in such depositories as may from time to time be designated by the board;
- (v) prepare the annual and supplemental budgets of the Association;
- (vi) review the accounts of the managing agent on a monthly basis in the event such managing agent is responsible for collecting and disbursing Association funds; and
- (vii) in general perform all the duties incident to the office of treasurer.



3.6. AUTHORIZED AGENTS. Except when the governing documents require execution of certain instruments by certain individuals, the board may authorize any person to execute instruments on behalf of the Association. In the absence of board designation, the president and the secretary shall be the only persons authorized to execute instruments on behalf of the Association. [TUCA §82.103(a)]

#### ARTICLE 4 COMMITTEES

4.1 Unless so created by the board there are no standing committees.

#### ARTICLE 5 MEETINGS OF THE ASSOCIATION

5.1. ANNUAL MEETING. An annual meeting of the Association shall be held on the second Saturday of each September at 1:00 pm at the Mustang Towers Condominium unless another place has been designated by the board. At annual meetings the members shall elect directors in accordance with these bylaws. The members may also transact such other business of the Association as may properly come before them. [TUCA §82.108(a), TNPCA 1396-2.10.A(2)]

5.2. SPECIAL MEETINGS. It shall be the duty of the president to call a special meeting of the Association if directed to do so by a majority of the board or by a petition signed by members representing at least 20 percent of the votes in the Association. Such meeting shall be held within 30 days after the board resolution or receipt of petition. The notice of any special meeting shall state the time, place, and purpose of such meeting. No business, except the purpose stated in the notice of the meeting, shall be transacted at a special meeting. [See: TUCA §82.108(a), TNPCA 1396-2.10.A(3)]

5.3. PLACE OF MEETINGS. Meetings of the Association may be specifically determined by the board. [TNPCA 1396-2.10.A(1)]

5.4. NOTICE OF MEETINGS. At the direction of the board, written notice of meetings of the Association shall be given to an owner of each unit entitled to vote at least 10 days but not more than 60 days prior to such meeting. Notices of meetings shall state the date, time, and place

such meeting is to be held. Notices shall identify the type of meeting as annual or special, and shall state the particular purpose of a special meeting. Notices may also set forth any other items of information deemed appropriate by the board. Notice to one co-owner is deemed notice to all co-owners. [TUCA §§82.106(a)(7) & 82.108(a), TNPCA 1396-2.11]

5.5. RECORD DATES. The record date for determining voting or directorship eligibility is 5:00 pm ten days before the meeting date.

5.6. VOTING MEMBERS LIST. The board shall prepare and make available a list of the Association's voting members on the meeting day.

5.7. QUORUM. At any meeting of the Association, the presence in person or by proxy of members entitled to cast at least 15 percent of the votes shall constitute a quorum.

5.8. VOTES. The vote of members representing at least a majority of the votes cast at any meeting at which a quorum is present shall be binding upon all members for all purposes, except when a higher percentage is required by these bylaws, the declaration, or by law. There shall be no cumulative voting.

5.9. Co-Owned Units. If a unit is owned by more than one member, the owner's vote who is present shall be that unit's vote. If more than one unit owner is present, then that unit's co-owners vote must be unanimous, otherwise it shall not be counted.

5.9.1. Corporation-Owned Units. If a unit is owned by a corporation, the vote appurtenant to that unit may be cast by any officer of the corporation in the absence of express notice of the designation of a specific person by the board of directors or bylaws of the owning Texas Uniform Condominium corporation. The vote of a partnership may be cast by any general partner of the owning partnership in the absence of express notice of the designation of a specific person by the owning partnership. The person presiding over a meeting or vote may require reasonable evidence that a person voting on behalf of a corporation or partnership is qualified to vote.

5.9.2. Association-Owned Units. Votes allocated to a unit owned by the Association shall be cast as directed by the Board of Directors by majority vote.

5.10. PROXIES. Votes may be cast in person or by written proxy. To be valid, each proxy shall:

- (i) be signed and dated by a member or his attorney-in-fact;
- (ii) identify the unit to which the vote is appurtenant;
- (iii) name the person in favor of whom the proxy is granted, such person having agreed to exercise the proxy by signature;
- (iv) identify the purpose or meeting for which the proxy is given;
- (v) not purport to be revocable without notice; and
- (vi) be delivered to the secretary, or to his designee, at least 10 business days before a meeting.
- (vii) Each meeting and/or vote requires a proxy specific to that meeting or vote.
- (viii) To revoke a proxy, the granting member must give actual notice of revocation to the person presiding over the Association meeting for which the proxy is designated in writing.
- (ix) Unless revoked, any proxy designated for a meeting which is adjourned, recessed, or rescheduled shall be valid when such meeting reconvenes. [TUCA §82.110(b), TNPCA 1396-2.13.B]

5.11. CONDUCT OF MEETINGS. The president, or vice-president in his absence, or any person designated by the board, shall preside over meetings of the Association. The secretary shall keep, or cause to be kept, the minutes of the meeting which shall record all resolutions adopted and all transactions occurring at the meeting, as well as a record of any votes taken at the meeting. The person presiding over the meeting may appoint a

parliamentarian. The then current version of *Robert's Rules of Order* shall govern the conduct of all meetings of the Association when not in conflict with the governing documents. Non-members shall not be heard without leave upon request from a member from the person presiding over the meeting.

Votes shall be tallied by a teller appointed by the person presiding over the meeting.

#### 5.11.1. Counting and access to ballots.

(i) A person who is a candidate or who is otherwise the subject of an association vote, or a person related to that person within the third degree by consanguinity or affinity may not tabulate or otherwise be given access to the ballots cast in that election except as provided by this section.

(ii) A person other than a person described by Subsection (a) may tabulate votes in an association election or vote but may not disclose to any other person how an individual voted.

(iii) Notwithstanding any other provision of this chapter or any other law, a person other than a person who tabulates votes under Subsection (b), including a person described by Subsection (a), may be given access to the ballots cast in the election or vote only as part of a recount process.

5.12. ORDER OF BUSINESS. Unless the notice of meeting states otherwise, the order of business at meetings of the Association shall be as follows:

- Determine voting membership and proxies
- Announcement of quorum
- Proof of notice of meeting
- Reading and approval of minutes of preceding meeting
- Reports
- Election of directors (when required)
- Unfinished or old business
- New business

5.13. ADJOURNMENT OF MEETING. At any meeting of the Association, a majority of the members present at that meeting, either in person or by proxy, may adjourn the meeting to another time which shall be reset no later than 30 days. In addition, should the officer presiding over the meeting determine that one or more persons have caused such a disruption that order cannot be maintained then in that event he may adjourn the meeting.

5.14. ACTION WITHOUT MEETING. Subject to board approval, any action which may be taken by a vote of the members at a meeting of the Association may also be taken without a meeting by written ballots. The board may permit members to vote by ballots delivered by hand, email, mail, facsimile transmission, or any combination of these. Written consents by members representing at least a majority of votes in the Association, or such higher percentage as may be required by the governing documents, shall constitute approval by written consent. This Paragraph may not be used to avoid the requirement of an annual meeting.

5.15. TELEPHONE MEETINGS. Members of the Association may participate in and hold meetings of the Association by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. [TUCA §82.108(c)(1), TNPCA 1396-9.11]

## ARTICLE 6 RULES

6.1. RULES. The board shall have the right to establish and amend, from time to time, reasonable rules and regulations for:

- (i) the administration of the Association and the governing documents;
- (ii) the maintenance, management, operation, use, conservation, and beautification of the condominium; and
- (iii) the health, comfort, and general welfare of the residents; provided, however, that such rules may not be in conflict with

law or the governing documents. The board shall, at all times, maintain the then current and complete rules in a written form which can be copied and distributed to the members. Rules need not be recorded in the county's real property records.

6.2. **ADOPTION AND AMENDMENT.** Any rule may be adopted, amended, or terminated by the board, provided that the rule and the requisite board approval are properly recorded as a resolution in the minutes of the meeting of the board.

6.3. **NOTICE AND COMMENT.** The board shall give written notice to an owner of each unit of any amendment, termination, or adoption of a rule, or shall publish same in a newsletter or similar publication or website which is circulated to the members, at least 10 days before the rule's effective date. The board may, but shall not be required, to give similar notice to residents who are not members. Any member or resident so notified shall have the right to comment orally or in writing to the board on the proposed action.

6.4. **DISTRIBUTION.** Upon request from any member or resident, the board shall provide a current and complete copy of rules. Additionally, the board shall, from time to time, distribute copies of the current and complete rules to an owner of each unit and, if the board so chooses, to non-member residents.

## ARTICLE 7 ENFORCEMENT

The violation of any provision of the governing documents shall give the board the right, after notice and hearing, except in case of an emergency, in addition to any other rights set forth in the governing documents:

a. To enter the unit or limited common element in which, or as to which, the violation or breach exists and to summarily abate and remove, at the expense of the defaulting owner, any structure, thing, or condition (except for additions or alterations of a permanent nature that may exist in that unit) that is existing and creating a danger to the common elements contrary to the intent and meaning of the provisions of the governing documents. The board shall not be deemed liable for any manner of trespass by this action; or

b. To enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.

## ARTICLE 8 OBLIGATIONS OF THE OWNERS

8.1. NOTICE OF SALE. Any owner intending to sell his unit or any interest therein shall give written notice to the board or manager designee of such intention, together with:

- (i) the address or legal description of the unit being conveyed,
- (ii) the name and address of the intended purchaser,
- (iii) the name, address, and phone number of the title company or attorney designated to close such transaction,
- (iv) names and phone numbers of real estate agents, if any, representing seller or purchaser, and
- (v) scheduled date of closing. An owner shall furnish this information to the board no less than 10 working days before the date of conveyance of the unit or any interest therein.

8.2. PROOF OF OWNERSHIP. Except for those owners who initially purchased a unit from declarant, any person, on becoming an owner of a unit, shall furnish to the board evidence of ownership in the unit, which copy shall remain in the files of the Association. Such evidence of ownership may be copies of recorded title documentation. A member shall not be deemed to be in good standing nor be entitled to vote at any annual or special meeting of the Association unless this requirement is first met. This requirement may be satisfied by receipt of a board-approved form that is completed and acknowledged by a title company or notary at time of conveyance of the unit or any interest therein.

8.3. OWNERS' ADDRESSES. The owner or the several co-owners of a unit shall register and maintain one mailing address to be used by the Association for mailing of monthly statements, notices, demands, and all other communications. The owner shall keep the Association informed of the member's current mailing address. If an owner fails to maintain a current

mailing address with the Association, the address of that owner's unit shall be deemed to be his mailing address. [TUCA §82.114(a)(4),(e)+(f)]

8.4. REGISTRATION OF MORTGAGEES. An owner who mortgages his unit shall furnish the board with the name and mailing address of his mortgagee.

8.5. ASSESSMENTS. All owners shall be obligated to pay assessments imposed by the Association to meet the common expenses as defined in the declaration.

8.6. COMPLIANCE WITH DOCUMENTS. Each owner shall comply with the provisions and terms of the governing documents, and any amendments thereto. Further, each owner shall always endeavor to observe and promote the cooperative purposes for which the condominium was established.

## ARTICLE 9 ASSOCIATION RECORDS

9.1. RECORDS. The Association shall use its best efforts to keep the following records:

- a. Minutes or a similar record of the proceedings of meetings of the Association. A recitation in the minutes that notice of the meeting was properly given shall be sufficient evidence that such notice was given. [TUCA 82.114(a)(6)]
- b. Minutes or a similar record of the proceedings of meetings of the board. [TUCA 82.114(a)(6)]
- c. Names and mailing addresses of the members, the currency and accuracy of the information being the responsibility of the members. [TUCA 82.114(a)(4)]
- d. Names and mailing addresses of the mortgagees, the currency and accuracy of the information being the responsibility of the members and their mortgagees.
- e. Financial records and books of account for the Association, kept in a manner consistent with generally accepted accounting principles.



f. A copy of the plans and specifications used to construct the condominium, except for buildings originally constructed before January 1, 1994.

g. A copy of plans and specifications acquired by the Association over time for improvements to the condominium.

h. Copies of income tax returns prepared for the Internal Revenue Service.

i. Copies of the governing documents and all amendments to any of these. Also, for at least four years, a record of all votes or written consents by which amendments to the governing documents were approved.

9.2. INSPECTION OF BOOKS AND RECORDS. Books and records of the Association shall be made available for inspection and copying pursuant to law.

## ARTICLE 10 NOTICES

10.1. CO-OWNERS. If a unit is owned by more than one person, notice to one co-owner shall be deemed notice to all co-owners. TNPCA 1396-9.09

10.2. DELIVERY OF NOTICES. Any written notice required or permitted by these bylaws may be given personally, by email, mail, or by facsimile transmission. If mailed, the notice is deemed delivered when deposited in the U.S. mail addressed to the member at the address shown on the Association's records. If transmitted by facsimile, the notice is deemed delivered on successful transmission of the facsimile. [TNPCA 1396-2.11.A.]

10.3. WAIVER OF NOTICE. Whenever any notice is required to be given to an owner, member, or director, a written waiver of the notice, signed by the person entitled to such notice, whether before or after the time stated in the notice, shall be equivalent to the giving of such notice. Attendance by a member or director at any meeting of the Association or board, respectively, shall constitute a waiver of notice by such member or director of the time, place, and purpose of such meeting. If all members or directors are present at any meeting of the Association or board, respectively, no notice shall be

required and any business may be transacted at such meeting. [TNPCA 1396-9.09]

## ARTICLE 11 AMENDMENTS TO BYLAWS

11.1. PROPOSALS. These bylaws may be amended by the members according to the terms of these Bylaws and this Article. The Association shall provide an owner of each unit with a detailed description, if not exact wording, of any proposed amendment. Such description shall be included in the notice of any annual or special meeting of the Association if such proposed amendment is to be considered at said meeting.

11.2. CONSENTS. An amendment shall be adopted by the vote, in person or by proxy, or written consents of members representing at least a majority of the votes cast or present at a meeting for which a quorum is obtained.

11.3. EFFECTIVE. To be effective, each amendment must be in writing, reference the names of the condominium and the Association, be signed by the Secretary acknowledging the requisite approval of members, and be delivered to an owner of each unit at least 10 days before the amendment's effective date. Further, if these bylaws are publicly recorded, the amendment must recite the recording data for the bylaws, be in a form suitable for recording as a real property record, and be delivered to the county clerk for recordation.

## ARTICLE 12 GENERAL PROVISIONS

13.1. CONFLICTING PROVISIONS. If any provision of these bylaws conflicts with any provision of the laws of the State of Texas, such conflicting bylaws provision shall be null and void, but all other provisions of these bylaws shall remain in full force and effect. In the case of any conflict between the articles of incorporation of the Association and these bylaws, the articles shall control. In the case of any conflict between the declaration and these bylaws, the declaration shall control.

13.2. SEVERABILITY. Invalidation of any provision of these bylaws, by judgment or court order, shall in no way affect any other provision which

shall remain in full force and effect. The effect of a general statement shall not be limited by the enumerations of specific matters similar to the general.

13.3. FISCAL YEAR. The fiscal year of the Association shall be January 1 to December 31.

13.4. WAIVER. No restriction, condition, obligation, or covenant contained in these bylaws shall be deemed to have been abrogated or waived by reason of failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

### CERTIFICATE

I certify that the foregoing is a true, complete, and correct copy of the bylaws of the Sundial Owners Association, Inc., a Texas non-profit corporation, as adopted by a majority vote of the Membership at a special called meeting on \_\_\_\_\_, 2012.

By: \_\_\_\_\_  
Wayne Miller, Secretary, Sundial  
Owners Association, Inc.

THE STATE OF TEXAS       §  
  §  
COUNTY OF NUECES       §

Before me, the undersigned authority, on \_\_\_\_\_, 2012,  
personally appeared Wayne Miller, Secretary of the Sundial Owners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same on behalf of the Association.

\_\_\_\_\_  
Notary Public, The State of Texas