

BY-LAWS OF CAMBRIDGE SHORES HOMEWONERS ASSOCIATION, INC
REVISED: April 8, 2006

ARTICLE I
OFFICES

1. The principal office of the Corporation shall be **P.O. Box 2224, Pottsboro, Texas, 75076.**
2. The Corporation may also have offices at such other places as the Board of Directors may, from time to time, determine or the business of the Corporation may require.

ARTICLE II
MEMBERS MEETINGS

1. All meetings of the members for the election of directors or for any other purpose may be held at such time and place as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof.
2. The General Meetings of the members, commencing with the year 2001, shall be held bi-annually on the second Saturday of April and October. The meeting dates may be post-poned as the Board deems necessary. The fiscal year begins with the April meeting date at which meeting the members shall elect by plurality vote, a President, Vice President, Secretary, Treasurer and Board of Directors, and transact such other business as may be properly brought before the meeting.
3. Written notice of the General Meetings shall be served upon or mailed to each member entitled to vote thereat at such address as appears on the books of the Corporation, at least ten (10) days prior to the meeting.
4. At least ten days before every election of Officers and Directors, a complete list of the members entitled to vote at said election, arranged in alphabetical order with the residence address of each shall be prepared by the secretary. Such list shall be open for examination by the members at the principal office of the Corporation for ten days, and shall be produced and kept at the time and place of election during the whole time thereof, and be subject to the inspection of any member who may be present
5. Special meeting of the members for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President and shall be called by the President or Secretary upon the written request of a majority of the Board of

- Directors, or upon the written request of members in good standing having not less than one-tenth (1/10) of the votes entitled to be cast at such meeting. Such request shall state the purpose or purposes of the proposed meeting.
6. Written notice of a special meeting of members, stating the time and place and object thereof, shall be served upon in person or by electronic or regular mail, to each member entitled to vote thereat at such address as appears on the books of the Corporation, at least ten (10) days before such meeting.
 7. Business transacted at all special meetings shall be confined to the object stated in the call.
 8. One-tenth (1/10) of the total votes entitles to be cast, represented by members present in person or represented by proxy, shall be requisite and shall constitute a quorum at all meetings of the members for transaction of business except as otherwise provided by statute, by the Certificate of Incorporation or by these By-Laws. If, however, such quorum shall not be present or represented by proxy at a meeting of the members, the members entitled to vote thereat, present in person or represented by proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the original meeting.
 9. When a quorum is present at any meeting, the vote of a majority of the total voted entitled to be cast by members present in person or represented by proxy, shall decide any question brought before such meeting, unless the question is one upon which by express provision of the statutes or of the Certificate of Incorporation or of these By-Laws, a different vote is required, in which case each express provision shall govern and control the decision of such question.
 10. At any meeting of the members every member having the right to vote shall be entitled to vote in person, or to vote by proxy, appointed by an instrument in writing subscribed by such member.
 11. Whenever the vote of members at a meeting thereof is required or permitted to be taken in connection with any corporate action by any provisions of the statutes or the Certificate of Incorporation or of these By-Laws, the meeting and vote of members may be dispensed with, if all of the members who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such corporate action being taken.

ARTICLE III
DIRECTORS

1. The number of Directors, which shall constitute the whole Board, shall not be less than three (3), nor more than ten (10), and the first Board of Directors shall consist of five (5) Directors. Thereafter, the members at any General or Special meeting may enlarge the number of Directors which shall constitute the whole board if they so desire, provided, however, that no increase in the number of Directors shall be made at any special meeting of the members unless the fact that such action contemplated, is stated in the notice calling such meeting or unless at such special meeting all members shall consent to the matter of increasing the board being taken up at the meeting. Directors to fill the additional places may be elected at the meeting authorizing the increase in the board or at any subsequent special meeting called for that purpose. The Directors shall be elected at the General meeting of the members on the second Saturday of April, except as provided in paragraph two (2) hereof, and each Director shall be elected to serve until the next general meeting of the members and until his successor shall be elected and shall qualify, provided, however, that no person may be elected a **President** for more than two (2) consecutive annual terms. Directors shall be members in good standing. The Directors shall keep the books of the corporation in its principal office, or at such other place or places as they may from time to time determine.
2. If any vacancies occur in the Board of Directors caused by the death, resignation, retirement, disqualification or removal from office of any Director, or otherwise, a majority of the Directors then in office, though less than a quorum, may choose a successor or successors to fill the newly vacancy and the Director so chosen shall hold office until the next general meeting of the members and until his successor shall be duly elected and qualified.
3. The property and business of the Corporation shall be managed by the Officers and Board of Directors which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by Statute or by the Certificate of Incorporation or by these By-Laws directed or required to be exercised or done by the members.
4. **The Board of Directors shall not undertake any project or authorize any expenditure(s) that exceeds \$1,500.00 during the fiscal year, without the approval of a majority of the votes entitled to be cast by the members in good standing.** The Board of Directors shall not obligate the Corporation to any debt without the vote of the members.

ARTICLE IV
COMMITTEES OF DIRECTORS

1. The Board of Directors may by resolution or resolutions passed by a majority of the whole Board, designate one or more committees, each committee to consist of two or more of the Directors of the Corporation, which, to the extent provided in said resolution or resolutions, shall have and may exercise powers of the Board of Directors in the management of the business and affairs of the Corporation, and may have power to authorize the seal of the Corporation to be affixed to all papers which may require it. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors.
2. The committee shall keep regular minutes of their proceedings and report the same to the Board when required.

ARTICLE V
COMPENSATION OF OFFICERS / DIRECTORS

1. Officers or Directors, as such, shall not receive any stated salary for their services.
2. Members of special or standing committee shall not be paid any compensation for their services or attending committee meetings.

ARTICLE VI
MEETINGS OF THE BOARD OF DIRECTORS

1. The regular meeting of the Board of Directors shall be held once each year immediately after the first general meeting of the members of the Corporation on the second Saturday of April.
2. No notice of the regular meeting of the Board of Directors need be given to the Directors.
3. The President, on ten (10) days notice to each Director, may call special meetings of the Board, personally or by electronic or regular mail, phone or telegram. Special meetings shall be called by the President or Secretary in like manner and on like notice on the written request of two Directors. Special meetings of the Board of Directors may be held at the time and place stated in the notice of the meeting.

4. At all meetings of the Board a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute or by the Certificate of Incorporation or by these By-Laws. If a quorum shall not be present at any meeting of Directors, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

ARTICLE VII NOTICES

1. Whenever under the provision of the statutes or the Certificate of Incorporation or of these By-Laws, notice is required to be given to any Director or member, it shall be construed to mean personal notice, but such notice may be given in writing, by electronic or regular mail, phone or telegram, addressed to such Director or member at such address as appears on the books of the corporation, and such notice shall be deemed to be given at the time when the same shall be thus mailed.
2. Whenever any notice is required to be given under the provisions of the statutes or under the Certificate of Incorporation, or of these By-Laws, a waiver thereof in writing signed by the person or person entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

ARTICLE VIII OFFICERS

1. The Officers of the corporation shall be elected by the members at the first meeting of the fiscal year, the second Saturday of April; provided, however, that no person may be elected to the office of President for more than two consecutive terms. The Board of Directors may also choose additional Vice-Presidents, and one or more Assistant Secretaries and Assistant Treasurers. Two or more offices may be held by the same person, except for the offices of President and Secretary. Officers must be members of the Corporation in good standing.
2. The Board of Directors may appoint such other officers and agents as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.
3. The officers of the Corporation shall not receive any compensation for their services.

4. The officers of the Corporation shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed at any time by the affirmative vote of a majority of the whole Board of Directors. If the office of any officer becomes vacant for any reason, the Board of Directors shall fill the vacancy.

ARTICLE IX
PRESIDENT

1. The President shall preside at all meetings of the members and of the Directors and shall be an ex-officio member of all standing committees. The President shall have such other powers and shall perform such other duties as shall be designated by the Board of Directors. The President shall be a member of the Board of Directors but no other officer of the Corporation.
2. The President shall have general and active management of the Corporation under the supervision of the Board of Directors and shall see that all orders and resolutions of the Board of Directors are carried into effect. In the absence of a President, the Vice President shall preside at all meetings of the members and Directors, and shall be and ex-officio member of all standing committees. The President shall have such other powers and shall perform such other duties as shall be prescribed by the Board of Directors.

ARTICLE X
VICE PRESIDENT

1. In the absence or disability of the President, the Vice-President shall perform all acts and duties assigned to the President. The remaining Vice-Presidents in the order of their seniority shall, in the absence or disability of the President and the next senior Vice-President, perform the duties and exercise the powers of the President and shall perform such other duties as the Board of Directors shall prescribe.

ARTICLE XI
THE SECRETARY AND ASSISTANT SECRETARIES

1. The Secretary shall attend all sessions of the Board of Directors and all meetings of the members and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. The Secretary shall give or cause to be given notice of all meetings of the members and special meetings of the Board of Directors, and shall perform such other duties as shall be prescribed by the Board of Directors, or the President, under whose supervision he shall be. The Secretary shall keep in safe custody the seal of the corporation, and when authorized by the Board of Directors, affix the same to any instrument requiring it, and when so affixed, it shall be attested by his signature or by the signature of the Treasurer or an Assistant Secretary.
2. The Assistant Secretaries, in order of their seniority, shall in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary and shall perform such other duties, as the Board of Directors shall prescribe.

ARTICLE XII
THE TREASURER AND ASSISTANT TREASURERS

1. The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all monies and all valuable effects in the name of and to the credit of the Corporation in such depositories as may be designated by the Board of Directors.
2. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and Board of Directors, at regular meeting of the Board of Directors, or whenever they may require it, an account of all the transactions of the Treasurer and of the financial condition of the Corporation.
3. If required by the Board of Directors, the Treasurer and Assistant Treasures shall give the Corporation a bond in such sum and with such surety of sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his office and for the restoration to the Corporation, in the case of his death, resignation, retirement or removal from office, all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the Corporation.

4. The Assistant Treasurers in the order of their seniority shall in the absence of (or) disability of the Treasurer, perform the duties and exercise the powers of the Treasurer and shall perform such other duties, as the Board of Directors shall prescribe.

ARTICLE XIII
CERTIFICATES OF MEMBERSHIP

1. Membership cards or certificates of membership of the Corporation may be issued to each member in such form as the Board of Directors may prescribe.

ARTICLE XIV
TRANSFER OF CERTIFICATS OF MEMBERSHIP

1. Upon the surrender to the Corporation of a certificate of membership duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books, provided such person is entitled to membership in the corporation in accordance with Article XVIII, Paragraph 1, of these By-Laws.
2. Upon transfer of any membership in the Corporation on the books of the Corporation, such transferee member shall be entitled to vote upon any matters required by a vote of the members until the next general meeting of the members, provided such transferred membership shall be in good standing and entitled to vote in accordance with Article XIX, Paragraph 6 of these By-Laws.

Should such transferred membership not be in good standing for the reason of delinquency in payment of the current fiscal year's assessment of the members, said transferred membership may be placed in good standing by the payment of the full fiscal year's assessment on said transferred membership.

ARTICLE XV
CLOSING OF TRANSFER BOOKS

1. The Board of Directors shall have power to close the certificate transfer books of the Corporation for a period not exceeding ten (10) days preceding the date of any meeting of the members.

ARTICLE XVI
REGISTERED MEMBERS

1. The Corporation shall be entitled to treat the holder of record on the books of the Corporation of any membership as holder in good faith thereof and accordingly shall not be bound to recognize any equitable or other claim to or interest in such membership on the part of any other person whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of the State of Texas.

ARTICLE XVII
LOST CERTIFICATE

1. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost or destroyed, upon the making of an affidavit of the fact by that person claiming the certificate(s) of membership lost or destroyed.

ARTICLE XVIII
ELIGIBILITY FOR MEMBERSHIP

1. Any person who is an owner of real property in Cambridge Shores Addition, as set forth in the plat records of Grayson County, Texas, shall be eligible for membership in this Corporation and the rights and privileges of membership shall extend to such person's immediate family, provided however, that should such person cease to be a property owner by reason of death, or sale of such person's property interest, such membership shall cease. The rights, equity and privileges incident to such membership may be assigned or transferred to such assignee or successor in interest upon notice to the Corporation and upon the surrender to the Corporation of such person's certificate of membership in accordance with Article XIV of these By-Laws.

2. Each member household in good standing shall be entitled to one vote.

ARTICLE XIX
INITIAL MEMBERSHIP FEE AND ANNUAL ASSESSMENT

1. The Corporation may impose an initial fee for membership, in addition to the annual assessment, and the Board of Directors shall set such initial membership fee. Thereafter such membership fee may be changed at any general meeting or special meeting of the members called for the purpose by an affirmative vote of a majority of the votes entitled to be cast at such meeting, represented in person or by proxy at such meeting. Such membership fee shall be paid to the Corporation by any person applying for membership in such amount as may then exist at the time of such application, but any later increase or decrease in the membership fee as changed by the members shall not be retroactive to the fees paid by the then existing members.
2. The annual assessment of the members shall be fixed by the membership at the general meeting held on the second Saturday of April, by the affirmative vote of a majority of the votes entitled to be cast, represented in person or by proxy, at such meeting, and such assessment shall apply for the current fiscal year of the corporation during which such assessment is levied.
3. Additional assessments may be levied at the general meetings or at any special meeting of the members called for that purpose by the affirmative vote of a majority of the votes entitled to be cast at such meeting, represented in person or by proxy.
4. If any assessment is voted by the membership that is based upon a fixed amount for any improvements owned by each member in Cambridge Shores Addition such assessment shall be valid only upon the approval of the majority of the members owning such improvements.
5. The assessment on improvements constructed after such assessment is levied but prior to the expiration of the period for which such assessment is levied shall become due thirty (30) days after such construction is started, and such amount shall be prorated on the basis of the time remaining in such period from the month in which construction starts. Such assessment shall be delinquent if not paid within sixty days after the date such assessment is due.
6. As soon as possible after any general meeting or any special meeting of the members at which an assessment is levied, the Treasurer shall mail to each member a statement setting forth the total amount of such assessment for each

member, and such assessment shall be due and payable within thirty days after such statement is mailed.

7. If such assessment is not paid within the time herein above stated, such member shall not be deemed a member in good standing and shall not be entitled to vote at any meeting of the members until the whole amount of such assessment is paid.

ARTICLE XX
DIRECTOR'S ANNUAL STATEMENT

1. The Board of Directors shall present at each general meeting of the members of (OR?) at any special meeting of the members, a full and clear statement of the business and financial condition of the Corporation.

ARTICLE XXI
CHECKS

1. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

ARTICLE XXII
FISCAL YEAR

1. The fiscal year of the Corporation shall begin the second Saturday of April and shall run through the preceding Friday of the following year.

ARTICLE XXIII
SEAL

1. The Corporate Seal shall have inscribed thereon the name of the Corporation and the state of its incorporation. Such seal may be used by causing it on a facsimile thereof to be imprinted or affixed or reproduced.