

**BYLAWS
OF
WINDSOR GARDENS OWNERS ASSOCIATION**

**ARTICLE I
NAME AND LOCATION**

Section 1. Name of Association. The name of the Association is Windsor Gardens Owners Association. The Association is a Texas non-profit corporation.

Section 2. Principle Office. Until changed by resolution of the Board of Directors of the Association, the principle office of the Association shall be 1625 Brighton Court, Beaumont, Texas 77706; but meetings of the Members and Directors may be held at such places within the State of Texas as may be designated, from time to time, by the Board of Directors.

**ARTICLE II
MEMBERS**

Section 1. Annual Meetings. Annual meetings shall be held annually at 7:00PM on the third Monday of May. If the day scheduled for an annual meeting shall be a legal holiday, the meeting shall be held at the same hour on the next succeeding day which is not a legal holiday. Failure to hold the annual meeting at the designated time shall not work a dissolution of the Association.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President, the Board of Directors, or by Members who are entitled not less than twenty-five percent (25%) of all votes entitled to be cast at such special meeting.

Section 3. Notice of Meetings. Written or printed notice stating the place, day and hour of the meeting, and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than sixty (60) days before the meeting.

Section 4. Record Date. The Board of Directors, from time to time, may fix a record date for the purpose of determining:

- a) The Members entitled to notice of a meeting of the Members, and/or
- b) The Members entitled to vote at a meeting of the Members, but no such record date shall be more than sixty (60) days before the date of the meeting.

Section 5. Membership Voting List. After fixing a record date for the notice of a meeting, the Association shall prepare an alphabetical list of names of all its voting Members who are entitled to notice of the meeting. The list shall show the address and number of votes each voting member is entitled to cast at the meeting. The list of voting Members must be available for inspection of any Member entitled to vote at the meeting.

Section 6. Quorum. Except as otherwise specifically provided to the contrary in the Declaration or these Bylaws, the presence at the meeting, in person or proxy, of Members entitled to cast at least twenty-five percent (25%) of the votes shall constitute a quorum for the transaction of business which may be taken or conducted at such meeting.

Section 7. Proxies. At all meetings, whether annual or special, Members may be present and vote in person or by written proxy. Proxies, in order to be effective, must be in writing, executed and filed with the Secretary of the Association at or prior to the meeting. Proxies shall be revocable.

Section 8. Voting. Voting shall be in accordance with the provisions of the Articles of Incorporation.

Section 9. Method of Voting. All voting shall be via voice or by show of hands, unless by majority vote of the Members present and entitled to vote at the meeting a determination is made to vote by secret written ballot.

Section 10. Majority Vote Controls. Except where a greater vote than a simple majority is specifically required by the Declaration or these Bylaws, all decisions of the Members shall be determined by a simple majority of the votes cast at a meeting which is duly called and held and at which the required quorum is present.

Section 11. Action Without Meeting. Any action required by the Texas Non-Profit Corporation Act to be taken at a meeting of the Members of the Association, or any action that may be taken at a meeting of the Members, may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by a sufficient number of the Members as would be necessary to take that action at a meeting at which all the Members were present and voted. Each written consent shall bear the date of the signature of each Member who signs the consent.

**ARTICLE III
BOARD OF DIRECTORS**

Section 1. General Powers. The affairs of the Association shall be managed by the Board of Directors.

Section 2. Number and Qualifications. The number of Directors shall be eight (8), provided, however, that the number of Directors may be increased and decreased by amendment of these Bylaws, but the number of Directors shall never be less than three (3).

Section 3. Election of Directors. At each annual meeting, the Members shall elect as many Directors as there are seats on the Board. Nomination for election to the Board of Directors shall be made by a nominating committee appointed by the Board of Directors or by nomination made from the floor at the annual membership meeting. The nominating committee shall select at least one director to represent every street in the Additions. At the election, every Member entitled to vote, in person or proxy, for as many persons as there are Directors to be elected. Cumulative voting shall not be permitted. The nominees receiving the largest number of votes shall be elected.

Section 4. Tenure. Each Director shall serve for a term of one (1) year, or until his successor is elected. Directors shall be entitled to serve successive terms without limitation.

Section 5. Removal. Any Director may be removed from the Board, with or without cause, by a majority of the votes cast at any regular meeting of the Members, or at any special meeting called for that purpose, which meeting is duly called and held and at which meeting a quorum is present.

Section 6. Vacancies. Any vacancy on the Board of Directors resulting from the death or resignation of a Director shall be filled by the remaining Directors (even though less than a quorum). Any vacancy on the Board resulting from the removal of a Director pursuant to Section 5 above and any vacancy resulting from an increase in the number of Directors shall be filled by election of the Members at the next annual meeting or at a special meeting called for that purpose. Any Director elected to fill a vacancy shall serve until the next annual meeting of the Members or until his successor is elected.

Section 7. Loans of Compensation. No loans shall be made to any Director, and no Director shall receive compensation for services rendered in such capacity; however, a Director may be reimbursed for expenses actually incurred by him in the performance of his duties in such capacity. Additionally, nothing herein contained shall preclude or prohibit the payment of compensation to a Director, in his capacity other than as a Director, for services rendered to the Association, such as for repair and maintenance services.

Section 8. Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly, on such dates and at such times and places to be fixed, from time to time, by resolution of the Board of Directors. When fixed by resolution, no notice of regular meetings shall be required.

Section 9. Special Meetings. Special meetings of the Board of the Board of Directors shall be held when called by the President or by any three (3) members of the Board. Notice of a special meeting of the Board shall be given at least three (3) days prior to the date of the meeting by written notice delivered to each Director.

Section 10. Quorum. A majority of the Directors shall constitute a quorum for the transaction of business at any meeting of the Board.

Section 11. Action Without Meeting. Any action required by the Texas Non-Profit Corporation Act to be taken at a meeting of the Directors of the Association, or any action that may be taken at a meeting of the Directors, may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by a sufficient number of the Directors as would be necessary to take that action at a meeting at which all the Directors were present and voted. Each written consent shall bear the date of the signature of each Director who signs the consent.

ARTICLE IV POWERS AND DUTIES OF BOARD OF DIRECTORS

Section 1. Enumeration of Powers. Without limitation, the Board of Directors shall have the power and authority to:

(a) Employ independent contractors, accountants, attorneys and such other agents, employees or representatives as the Board shall deem necessary for carrying out the duties and obligations of the Association, and prescribing their duties and fixing their compensation.

(b) Prosecute any action or legal proceeding which, pursuant to the Declaration, the Association is authorized to bring for the purpose of:

- (1) Collecting any assessment due and owing by any Owner,
- (2) Enforcing, by foreclosure proceedings, the assessment lien securing the payment of any assessment which is due and owing to the Association.
- (3) Enforcing the use restrictions contained in the Declaration, and
- (4) Enforcing compliance with any and all other terms, covenants and provisions of the Declaration and these Bylaws.

(c) Exercise all rights, powers and discretions conferred upon the Board of Directors by these Bylaws and the Declaration, except those which are specifically reserved to the Members of the Association by the Articles of Incorporation, these Bylaws or the Declaration.

(d) Adopt and publish rules and regulations governing the use of the Common Area of the Addition(s) and to enforce such rules and regulations.

(e) Suspend, for non-payment of assessments, the right of any Member to vote at any meeting of the Members during the continuance of any such non-payment.

Section 2. Enumeration of Duties. Without limitation, the Board of Directors shall have the duty to:

(a) Cause to be kept a complete and accurate record of all financial affairs of the Association, including assessments, collections and disbursements. A written financial report shall be furnished to the Members at each annual membership meeting.

(b) Cause to be kept complete and accurate minutes of all meetings of the Members and Board of Directors.

(c) Supervise all Officers, agents and employees of the Association and see that their respective duties are properly performed.

(d) As more fully provided in the Declaration:

(1) Fix the amount of the regular assessment against each Lot and give notice thereof to each Owner subject thereto;

(2) Propose to the membership special assessments for capital improvements, and upon approval thereof by the Members in accordance with the Declaration, give notice of such special assessments to each Owner subject thereto;

(3) Fix the amount of any additional Lot assessment and give notice thereof to each Owner subject thereto;

(4) Issue or cause to be issued, upon request of any Mortgagee or other person, a certificate setting forth whether or not any assessments on a specified Lot have been paid; and

(5) Collect the assessments when due and payable in any manner provided in the Declaration, including, without limitation, suit for collection or action for foreclosure of the assessment lien.

(e) Procure and maintain fire and extended coverage insurance upon the insurable improvements and other properties of the Association in or on Common Areas of the Additions and liability insurance upon the Common Area, in such amounts as shall be reasonably determined by the Board of Directors.

(f) Perform all maintenance, repair and replacement obligations of the Association under the Declaration; and, at the election of the Board of Directors, perform any maintenance, repairs and replacements which the Association, under the Declaration, has the option to perform for the account of any Lot Owner who fails or refuses to perform his own maintenance, repair and replacement obligations under the Declaration.

(g) Perform or cause to be performed all other duties and obligations of the Association under the Declaration.

ARTICLE V OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The Officers of the Association shall be a President and Secretary. The Board, at its election, may also establish and fill the offices of Vice President and/or Treasurer. The President and Secretary shall at all times be members of the Board of Directors, but any other Officers may or may not be members of the Board. Any two (2) or more of such offices may be held by the same person, except that the President may not also be the Secretary.

Section 2. Election of Officers. The Officers shall be elected annually by the Board of Directors and thereafter at the first regular or special meeting of the Board of Directors following the annual meeting of Members. Each Officer shall hold office for a term of one (1) year or until his successor is elected. Any office may be held by the same person for successive terms, as there is no prohibition against any Officer holding successive terms.

Section 3. Assistant Officers. The Board of Directors may elect such Assistant Officers as the Board shall determine necessary for the conduct of the affairs of the Association. The authority, duties and terms of such Assistant Officers shall be fixed by the Board by resolutions.

Section 4. Resignation or Removal. Any Officer may be removed from office by the Board of Directors at any time, with or without cause, and any Officer may resign from office at any time by written resignation tendered to the Board of Directors. Any resignation tendered by an Officer shall be effective as of the date thereof or as of a date specified in the notice of resignation; and, unless otherwise specified in the notice of resignation, acceptance of such resignation by the Board of Directors shall not be necessary to make same effective.

Section 5. Vacancies. Any vacancy in an office resulting from the death, resignation or removal of an Officer, or resulting from the creation of a new office, shall

be filled by election or appointment by the Board of Directors. Any officer elected to fill a vacancy resulting from the death, resignation or removal of an Officer shall serve for the unexpired term of his predecessor in such office. Any officer appointed to fill a vacancy resulting from the creation of a new office shall hold office until the next annual election of Officers or until his successor is elected.

Section 6. Duties of President. The President shall preside over all meetings of the Members and the Board of Directors; shall see that all orders and resolutions of the Board are carried out; shall sign all documents of the Association, except where another Officer is specifically authorized to execute the same by the Declaration; and shall perform such other duties as are normally performed by the president of a corporation.

Section 7. Duties of Vice President. The Vice President (if any) shall act in the place of the President in the event of his absence, disability or refusal to act; shall exercise and discharge such other duties as may be assigned to him by the Board of Directors; and shall perform such other duties as are normally performed by the Vice President of a corporation.

Section 8. Duties of Secretary. The Secretary shall record the votes and minutes of all meetings of the Board of Directors and the membership; shall serve notice of meetings of the Board and of the Members; shall keep appropriate current records showing all Members of the Association and their current mailing addresses; shall maintain a current record of the holders of all first mortgages on the Lots in the Additions (from information furnished to him by the Lot Owners); shall perform such other duties as may be assigned to him by the Board of Directors; and shall perform such other duties as are normally performed by the secretary of a corporation. In the absence of a Treasurer, the Secretary shall perform the duties of the office of Treasurer.

Section 9. Duties of Treasurer. The Treasurer (if any) shall be primarily responsible for the collection of assessments due the Association; shall receive and deposit, in appropriate accounts established by the Board of Directors, all funds of the Association and disburse such funds as directed by resolution of the Board of Directors; shall sign all checks or other orders for payment of funds of the Association, either alone or jointly with another Officer, as determined from time to time by resolution of the Board of Directors; shall keep proper books and records of all financial matters of the Association and present financial reports to the Members as required by these Bylaws; shall, with the assistance of the other Officers, fix the annual budget and regular annual assessment of the Lots in the Additions and shall give notice thereof to the Owners of all Lots subject to such assessment, as required by the Declaration; shall cause any required tax returns and reports to be prepared and filed; shall perform such other duties as shall be assigned to him by the Board of Directors; and shall generally perform the duties of the office of treasurer of a corporation.

**ARTICLE VI
INDEMNIFICATION OF OFFICERS AND DIRECTORS**

Section 1. Obligation to Indemnify. The Association shall indemnify current or former Directors, Officers, committee members, employees or agents of the Association, who was, is or may be named defendant or respondent in any proceeding as a result of his actions or omissions within the scope of his official capacity in the Association, against judgments, penalties (including excise and similar taxes), fines, settlements and reasonable expenses actually incurred by such person in connection with any such proceeding. However, the Association shall indemnify such person only in the circumstances where, and only to the extent which, such indemnification is permitted under the provisions of Article 1396-2.22A of the Texas Non-Profit Corporation Act.

**ARTICLE VII
ASSESSMENTS**

Section 1. General Provisions. As more fully provided in the Declaration, each Member is obligated to pay to the Association the regular annual assessments and, in certain special cases, special assessments for capital improvements and additional Lot assessments, which assessments, together with interest, costs and reasonable attorney's fees, are secured by a continuing assessment lien (with power of sale) upon the Lots (and the improvements thereon) against which the assessments are made. Any assessments which are not paid when due are considered delinquent. If an assessment is not paid within ten (10) days from the date upon which it became due, such assessments shall bear interest from the date upon which it became due at the rate of eighteen percent (18%) per annum; and the Association may bring action at law against the Owner and any other person(s) personally obligated to pay the same or may foreclose the lien upon the property against which the assessment was made. Interest, costs and reasonable attorney's fees shall be added to the amount of any delinquent assessment.

**ARTICLE VIII
BOOKS AND RECORDS**

Section 1. Financial Records; Inspection by Members. The Board of Directors shall cause to be kept and maintained current true and accurate of all financial transactions of the Association, including all income and expenditures, in accordance with generally accepted accounting principles. The books, records and papers of the Association shall be subject to inspection by any Member during normal business hours. The Declaration and Bylaws shall be available for inspection at the principal office of the

Association, and copies thereof shall be made available to Members of the Association for a reasonable charge.

Section 2. Current Mortgage Register. It shall be the duty of each Owner to furnish the Secretary of the Association, within ten (10) days after the acquisition of a Lot or Lots in the Additions, with the name and mailing address of any Mortgagee holding a first mortgage upon such Owner's Lot or Lots. Upon any substitution or change in any such Mortgagee, it shall be the duty of each Owner to notify the Secretary, within ten (10) days thereafter, of the name and mailing address of such substituted first Mortgagee.

Section 3. Current Register of Owners. Among the duties of the Secretary is the maintenance of a current list of all Members and their current mailing addresses. It shall be the duty of each Owner to give written notice to the Secretary of any transfer or change of ownership of any Lot in the Additions, within ten (10) days after same is made, including the correct name and mailing address of the new Owner thereof. Further, it shall be the duty of each Member to advise the Secretary in writing of any change in such Member's mailing address for receipt of notice from the Association.

ARTICLE IX AMENDMENT OF BYLAWS

Section 1. Procedure for Amendment. The power to amend or repeal these Bylaws, in whole or in part, is reserved exclusively to the Members of the Association. These Bylaws may be amended at any regular or special meeting of the Members by a majority vote of the Members present, in person or by proxy, and entitled to vote at any such meeting at which a quorum is present. And proposed amendment shall be incorporated in the notice of the meeting sent to the Members; and, upon the adoption of any amendment, written notice of such amendment shall be given to each of the Members (whether in attendance at or absent from such meeting) within fifteen (15) days after the adoption thereof. No such amendment shall be enforceable against any Member until such written notice shall have been given to such Member in the manner provided above.

ARTICLE X CONFLICTS

Section 1. Conflict With Declaration. In the event of any conflict between the Declaration and these Bylaws, the Declaration shall control over any conflicting provision of these Bylaws.

ADOPTED by the Directors of the Association on the _____ day of _____, 2007.

President

Secretary