

Henderson County
Mary Margaret Wright
County Clerk
Athens, TX 75751

Instrument Number: 2023-00010728

As

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Parties: TIMBER BAY PROPERTY OWNERS ASSOCIATION

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in the Official Records of Henderson County, Texas



Mary Margaret Wright

County Clerk
Henderson County, Texas

Record and Return To:

TIMBER BAY PROPERTY OWNERS
PO BOX 662

MABANK, TX 75147



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TIMBER BAY PROPERTY OWNERS ASSOCIATION

BY-LAWS

Origination Date:	November 1, 2001
Revised:	October 16, 2009
Revised:	June 5, 2014
Revised:	September 3, 2016
Revised:	April 4, 2018
Revised:	September 28, 2020
Revised:	July 15, 2023

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Changes and Corrections:

Date	Short Title	Initials
Oct 16, 2009	Added ARTICLE VIII, Section 10	djh
Oct 16, 2009	Corrected section numbering in ARTICLE VIII	djh
Jun 03, 2014	Made several changes to ARTICLE VI	djh
Sept 03, 2016	ARTICLE III, Section 1, officers changed to board	tgc
Sept 03, 2016	ARTICLE III, Section 3, changed to reflect email of notices	tgc
Sept 03, 2016	ARTICLE III, Section 4, quorum changed from 20% to 10%	tgc
Sept 03, 2016	ARTICLE V, Section 1, changed to add email	tgc
April 4, 2018	ARTICLE I, Section 5, term 'owner in good standing'	tgc
April 4, 2018	ARTICLE II, Section 1, added in good standing	tgc
April 4, 2018	ARTICLE II, Section 7, added in good standing	tgc
April 4, 2018	ARTICLE IV, Section 1, added in good standing	tgc
April 4, 2018	ARTICLE V, added in good standing	tgc
April 4, 2018	ARTICLE VI, added Section 7	tgc
April 4, 2018	ARTICLE VIII, Section 4, added power to fine	tgc
Sept 28, 2020	ARTICLE VI, Section 1, changed to 9 members	tgc
Sept 28, 2020	ARTICLE VI, Section 2 number of directors elected at annual meeting	tgc
Sept 28, 2020	ARTICLE VII, Section 8 quorum changed to 5	tgc
July 15, 2023	ARTICLE VIII, Section 8 Late fees on delinquent dues	ph

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ARTICLE I PREAMBLE

Section 1. Name

The TIMBER BAY PROPERTY OWNERS ASSOCIATION, hereafter referred to as 'TBPOA' or 'Association', is an organization representing the mutual interests of all of the Timber Bay sub-division property owners.

Section 2. Purpose

The purpose of TBPOA is to provide an administrative organization to act for the benefit and welfare of the sub-division property owners in such matters as shall be determined by the Board of Directors. The general involvement of the TBPOA shall be to take actions to maintain the residential environment of the sub-division; maintain and keep up sub-division assets and facilities and promote good fellowship among the membership.

Section 3. Operations.

The Timber Bay Property Owners Association shall operate as a non-profit organization as specified under the statutes and laws of the State of Texas.

Section 4. Home office

The home office for the TBPOA shall be located in the Timber Bay Subdivision, Henderson County, Texas.

Section 5. Definitions and Terminology

The terms 'TBPOA' and 'Association' should be interpreted to mean 'TIMBER BAY PROPERTY OWNERS ASSOCIATION'.

The term 'Board' should be interpreted to mean 'Board of Directors'.

The term 'general meeting' refers to any scheduled annual or special meeting of all Property Owners of the Association.

The term 'Property Owner' is defined as one (1) or more persons, business entities or persons in partnership, combined in any coalition, with a proven and current vested ownership in one (1) or more properties in the Timber Bay subdivision. Under this definition, the association of man and wife shall be considered a partnership.

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The term 'owner-of-record' refers a Property Owner identified by Henderson County tax roles as the owner of a property in the Timber Bay subdivision.

The term 'owner-in-fact' refers to a Property Owner claiming ownership under rules of adverse possession, inheritance, private (unrecorded) contract, gift or other means or agreement that has legal worth, but does not qualify the Property Owner as 'owner of record'.

The term 'owner in good standing' refers to a property owner who is current with the payment of statutory dues.

The term 'adverse possession' refers to the process of acquiring ownership of property by possession, more commonly known as 'Squatting' or 'Squatters rights'.

The terms 'home of record' or 'address of record' refer to the last known address of a property owner as shown in Association membership roster.

The term 'member' refers to a property owner having a current membership in TBPOA.

The term 'Proxy' refers to a written authorization by a property owner, delegating his or her voting rights to another individual.

ARTICLE 2 MEMBERSHIP

Section 1. Membership Qualification

Property Owners having ownership in one or more residential lots lying within the territorial limits of the Timber Bay sub-division as identified in the Timber Bay subdivision plat registered with the Henderson County Clerks Office, Athens Texas and; who are registered as owners of record with the Henderson County Tax Assessor Collector, shall be afforded full rights and privileges of membership in the Association. No further qualification shall be required.

With the exception of vote, all rights and privileges of membership shall extend and apply to the owner's current spouse, if that spouse is not otherwise qualified as a member.

In all other cases, eligibility for membership shall be determined by the Board of Directors, and qualification as a property owner in any case other than owner of record, shall be awarded or denied under the following terms and conditions:

1. A person or persons claiming membership as 'owner in fact' of one or more residential lots lying within the territorial limits of the Timber Bay sub-division as identified in the Timber Bay subdivision plat registered with the Henderson County Clerks Office, Athens Texas shall be considered a Property Owner if and only if that person or persons can demonstrate a clear and legal right to the possession of said property under the laws of Texas; except that;
 - a. Properties that are the subject of adjudication other than probate to determine rightful ownership shall be considered to be in the custody of the Court having jurisdiction. Persons claiming ownership of said property shall not be granted Property Owner rights and privileges of membership until such time as the presiding Court determines ownership.

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- b. Property in probate shall be considered to be in the custody of the probate court until the process is completed. While in probate, Limited Membership eligibility as discussed herein may be granted to heirs of the deceased owner at the discretion of the Board.
- c. A person or persons claiming ownership of property under 'adverse possession' will be accorded full rights as a Property Owner until or unless ownership is contested, and provided said person or persons can demonstrate that they have assumed the burdens of ownership, by paying taxes on properties so claimed.

Section 2. Honorary Memberships

Meritorious or Honorary membership (non-voting) in TBPOA may be awarded to individuals or business organizations in recognition of significant contributions to the welfare of the community, as may be recommended by the Board of Directors and ratified by the general membership.

Section 3. Limited Membership

In certain cases, a temporary limited membership may be authorized to a representative of an eligible property owner, when such representative is to act in a custodial role in place of the property owner, the purpose being, to allow representation of owner's interests in association business. Such eligibility may be granted to:

1. A person appointed in trust to act for a Property Owner and assuming custodial responsibility for the owner's property in the place of the eligible Property Owner.
2. A legally appointed guardian to a minor heir of a deceased Property Owner.
3. A representative of a business entity, government authority or court that has assumed custodial responsibility of an eligible Property Owner's property by virtue of repossession, probate or other legal action.

Section 4. Notice of Custodial Assignment

Assignment of custodial responsibility shall be made in writing to the Board of Directors on or before the date that said custodian assumes the appointment. As a minimum, said notice must contain:

1. the name and address of the prospective custodian.
2. A statement of the term of office.
3. A statement of the responsibilities and authorities delegated to the custodian.
4. The signature of the Property Owner and date of issue. In cases where an appointment is made by Trust action or Court order, then such appointment shall be signed by the designated representative of that authority.

Only one such appointment may be in effect for a property owner at any given time.

Section 5. Terms and conditions of Limited Membership

The following terms and conditions apply to limited membership:

1. An appointing Property Owner may not exercise those rights of membership delegated to a custodial representative as long as that custodial appointment is in effect.
2. In such cases where custodial succession is by Court order or other instrument of law, the term of office shall be identified as 'indefinite' and the custodial appointment will remain in effect until rescinded by the originating authority.
3. In such cases where the appointment of a custodial representative is at the convenience of a Property Owner, said appointment shall be regulated by the stated terms of office. Said appointments may be terminated at any time by written notice to the Association from the

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originating property owner and will automatically terminate when and if a property owner loses qualification for membership.

4. The appointment of a custodial representative does not negate a property owner's eligibility for membership, as long as the requirement of property ownership within the sub-division are met by the appointing property owner.
5. A custodial representative may not hold an Association office, unless that person is a property owner in the Association in their own right.
6. A custodial appointment by a property owner shall not automatically include transfer of that owner's voting rights. A separate proxy shall be required to accomplish that transfer. See Article IV.

Section 6. Exclusions to Membership

The following persons and/or entities are excluded from Membership:

1. A lien-holder is not entitled to membership in the Association, except that; on completion of foreclosure or other re-possession of property, a lien holder may be granted limited eligibility. A lien against a property does not constitute property ownership within the meaning of this by-law, until or unless ownership is transferred to the lien holder by court action.
2. Persons and/or business entities acting as an agent for the legal owner, but not having a vested interest in the real estate of the property owner, such as attorneys, real estate agents, consignees or brokers, shall not be granted membership rights or privileges.
3. Government entities acquiring ownership of sub-division property as a result of seizure or other legal process, shall be deemed to have no financial interest in said property and will not be granted full rights and privileges of membership. In possessions of these types, government entities shall be considered as custodians and given the submission of suitable application, may be granted limited membership for the duration of possession.

Section 7. Duration

A Property Owner in good standing, with exceptions noted herein, will retain full voting membership in TBPOA as long as that person is the owner of record of one or more properties in the sub-division. Said membership shall begin on the assumption of property ownership as supported by an appropriate proof of ownership, and will continue until sale or transfer of property ownership to new owners. In cases where proof of ownership is not prima facie, the Board of Directors shall determine eligibility for membership.

Section 8. Death of a Property Owner

On the demise of a Property Owner, membership with full privileges shall continue to the surviving spouse or others in partnership with the deceased owner. In the event that a surviving spouse is also appointed as the executor/executrix of the Property Owners' estate, the spousal membership definition will prevail.

An executor/executrix of the estate of a deceased property owner other than a surviving spouse, regardless of how appointed, shall be considered a custodian of the Property Owner and will have limited membership under the conditions and requirements set forth herein.

Section 9. Special Circumstances

With exception of the voting rights, persons participating in joint ownership of Timber Bay property shall each be considered eligible for all other rights and privileges of membership.

ARTICLE III

MEMBERS' MEETINGS

Section 1. Annual Meeting

Unless otherwise notified by the Board of Directors, the scheduled annual meeting of the Association membership shall be held each calendar year at the Recreation and Boat Launch area, located in the Timber Bay Sub-division, Henderson County, Texas on the first Sunday of the month of June at 1:00 p.m. The purposes of this meeting shall be to elect board members and to conduct such other business as may be required or otherwise brought before the membership for consideration. This passage constitutes full and complete notice of intent to all property owners.

In the event the scheduled annual meeting cannot be convened and conducted at the foregoing site, time and place: The Board of Directors shall have the authority to set an alternative site, time and date for the annual meeting and shall insure that:

- a. The selected site is within reasonable traveling distance of the Timber Bay sub-division and that said site is readily accessible to all property owners.
- b. The alternate date and time selected imposes no additional burden or difficulty with regard to attendance of property owners, than might be expected had the meeting been convened as originally scheduled.
- c. Written notice of any change in the scheduling of the annual meeting shall be delivered to all registered property owners as is specified herein.

Section 2. Special Meetings

Special meetings of the general membership may be called by the President, Board of Directors, or by petition signed by at least Thirty percent (30%) of the members of the Association. A petition to convene a Special Meeting of the membership must be presented in writing to the President of the Association to be recognized. Said petition must contain or include:

1. A clear statement of the purposes to be accomplished by the special meeting.
2. The date of submission to the President of the Association for action.
3. The signatures and dates of signing of all subscribers to the petition.

A petition for special meeting should be the original document bearing the original signatures of the members submitting the petition. In the event that a petition to be submitted is not the original copy, said document must be certified as a 'true copy', be notarized by a Notary Public licensed by the State of Texas and must be witnessed by two (2) persons who are not associated with the Association.

Special meetings requested by petition shall be scheduled by the Board within ninety (90) days of the date of submission, as given in the submitted petition.

Section 3. Notice of Meetings

Notice of the time and place of all scheduled special and annual meetings shall be emailed at least ten (10) but not more than fifty (50) days prior to the meeting, to the last known address of each eligible Property Owner. The format of this notification will be at the discretion of the TBPOA Board of Directors. In the case of a special meeting or when required by statute or these By-laws, this notice shall include a statement of the purpose or purposes of the meeting.

Section 4. Quorum

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At least one-tenth (10%) of the total registered Association property owners must be present at a scheduled special or annual meeting of the Association to constitute a quorum with full power to transact such business as may come before the meeting. Any act taken by a quorum at a special or annual meeting shall be considered an act of the Association and all property owners shall be bound by that act.

Section 5. No Quorum Procedures for Annual Meetings

In the event that the required quorum of the registered property owners cannot be achieved at the scheduled annual meeting, then said meeting shall be adjourned by the President of the Association, without further action or notice. All business before the Association shall be deferred until an annual meeting with the required quorum can be convened. Within fifteen (15) working days of the original scheduled annual meeting, the Board of Directors shall be convened in open session and with quorum present, shall:

1. Schedule a new date, time and place for a second annual meeting and shall publish notice to that affect as required by these by-laws. The agenda for this meeting shall that of the original annual meeting.
2. By motion, extend the terms of office of those incumbent Directors seats that would have been open for replacement by nomination and election at the original scheduled annual meeting.

In the event this second scheduled annual meeting cannot achieve a quorum and business before this meeting cannot be completed, then said meeting will be adjourned without further notice or action. As soon as possible thereafter, The Board of Directors shall convene in open session and with quorum present, shall solicit the presence of a minimum of three (3) property owners who are not directors to act as witnesses to the proceeding of said meeting. With said witnesses in attendance, the Board of Directors shall perform the following:

1. Count and verify the votes received by written ballot for the election of new directors and on conclusion of this procedure, install new officers.
2. Count and verify the votes received by written ballot in response to the original annual meeting, on all propositions to modify, alter, change or replace existing Deed Restrictions, and enact such propositions receiving a majority vote. Such enactment shall be by resolution.
3. Perform essential end-of-year administrative tasks that would have normally been presented to the membership at a scheduled annual meeting. Such tasks include but are not limited to:
 - a. By motion, approve the minutes from the preceding year's annual meeting.
 - b. By motion, verify, accept and close Association financial records for the preceding year.
 - c. By motion, review and approve the projected annual budget for the forthcoming year
4. Summarize and publish the minutes of this meeting of the Board of Directors, detailing the subject of and resultant vote on all resolutions and motions introduced at said meeting. This publication shall be delivered to each registered property owner in the manner described by these by-laws for notices, and shall cite this section of by-laws as the authority to act.

Actions taken under this provision of by-laws with regard to the installation of new officers and enactment of propositions to modify, alter, change or replace Deed Restrictions, as evidenced by written ballots received, shall be binding on all Association property owners.

The completion of actions under this section of by-laws shall constitute the completion of the requirement to hold a scheduled annual meeting for the calendar year under which these actions were taken.

ARTICLE IV

MEMBERS' VOTING PRIVILEGES

Section 1. Vote

All Property Owners in good standing and those other persons having the right to vote for a Property Owner under proxy authorization shall have the right to cast one (1) vote on any resolution, motion or other business brought before a special or annual meeting for vote by the membership. The following conditions apply to the casting of votes by the membership:

1. Votes in person or by proxy shall be permitted on all resolutions, motions and other business coming before the general membership for vote at scheduled general meetings; except that; in resolutions or motions involving the amendment, alteration or replacement of Deed Restrictions, the use of proxy votes is specifically prohibited.
2. Persons representing business entities or government authorities and serving in a temporary custodial capacity shall have one (1) vote on matters having a direct relation or application to property in custodianship. These persons shall not vote on any resolutions or motions concerning election of officers, budget and funding, Deed Restrictions or other Association business or manner of operation that may result in undue influence or conflict of interest. The Board of Directors shall rule on this provision if and when required.

Section 2. Proxy Authorization

Regardless of any other prior arrangement or delegation of authority made by an owner, a transfer of voting rights to anyone other than a property owner shall require a separate written proxy authorization granting owner voting rights. A proxy authorization must be completed and delivered to the Board of Directors of the Association at least three (3) working days prior to its first use. A written proxy authorization may be in letter form and must identify:

1. The name of the individual who is to receive proxy power to vote for the property owner..
2. Any limits to be applied to the use of the proxy.
3. The term (beginning and end dates) of empowerment.
4. The signature of the property owner and date of signing.

Proxy authorizations shall be notarized and witnessed by at least two (2) witnesses. The absence of any of the foregoing elements of information shall be considered sufficient cause to reject a proxy authorization.

Proxy authorizations must be renewed at least once annually, based on the beginning date of term. All proxies with unspecified term or with a term greater than one (1) year shall not be accepted and shall be returned to the issuing property owner as unrecognized.

All proxies received shall be reviewed and approved by the Board of Directors or its delegated representatives within three (3) working days of receipt. On approval, said proxy shall be considered to be effective as of the beginning date of term as specified by the Property Owner.

Persons holding a valid proxy authorization may not assign or otherwise delegate that authority to any other person.

Section 3. Written Votes

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In general, written votes shall be accepted in place of a member being present at any annual or special meeting of the membership; except that:

1. Spontaneous resolutions or motions received from the floor at such meeting shall be voted on only by those persons having the right to vote and who are present at the meeting at the time a vote is called.
2. Resolutions or motions to amend, alter, change, modify or replace Deed Restrictions, shall be presented to the membership in the form of individual propositions contained within a written ballot. Such ballot is to be prepared, published and delivered by the Board of Directors, in a manner required by these By-laws. In such matters, only a properly authenticated ballot shall be accepted as a vote.

A written vote, other than a ballot, that may be prepared by a property owner must be filed in writing with the Board of Directors or its delegated representative at least three (3) working days prior to the day of vote. As a minimum, all such written votes must:

1. Identify the property owner making the vote.
2. Specify how and to what the vote is to be applied.
3. Bear the signature of the property owner and date of signing

All written votes will be reviewed and approved by the Board of Directors.

Section 6. Consensus

Subject to the provisions of these By-laws, a majority vote of the members presented in person, or by proxy (when authorized), or by written vote at any scheduled annual or special meeting, on any proposition, resolution, motion or other business requiring a vote, shall be considered the will of the Association in that matter and all members shall be bound by that act.

ARTICLE V

RIGHTS OF THE MEMBERS

Property Owners in good standing shall have the right to:

1. Attend and participate in Annual and Special meetings of the general membership, without restriction.
2. Submit or participate in the submission of petitions to the Association membership.
3. Vote on any resolution, motion or other business that may come before the general membership at Annual or Special meetings, subject to the restrictions imposed by these by-laws.
4. Hold office within the Association, subject to restrictions imposed by these by-laws.
5. Participate in the nomination and election of Directors as and when due, at the scheduled annual meeting of the membership.
6. Have access to the public facilities created and maintained for the benefit of the membership.

Section 1. Member Obligations to the Association

Members of the Association shall be required to:

1. Ensure that a current mailing and email address is on file with the Association Secretary.
2. Ensure that the Association is advised of any changes in property ownership that may occur and that would affect membership qualifications or rights.

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3. Comply with the provisions of these By-laws and Deed Restriction and such other policies and directives that may be enacted by the Association in the normal course of events.

ARTICLE VI

BOARD OF DIRECTORS

Section 1. Constituency

There shall be nine (9) directors on the Board of Directors.

Section 2. Election and Term

Directors, referred to as Place 1 through 9, shall be nominated and elected at the scheduled annual meeting from among the property owners of the TBPOA, to serve for a period of two (2) years. The terms of office shall be staggered in a manner such that no more than five (5) nor less than one (1) directorship shall become eligible for nomination and election in any given year, thus preventing a full turnover of all Directors in any given year. The Board of Directors shall act as the nominating committee to fill vacancies on the Board and will establish procedures to receive and consider nominations in advance of and from the floor of the scheduled annual meeting.

Section 3. Board Officers and Composition

The Board of Directors shall nominate and elect from within the Board membership, a President, Vice-President, Secretary, Treasurer and such other officers as may be deemed necessary to conduct the business of the Association. Election of these officers will be accomplished at the first Board meeting, to be held as soon as practical after the scheduled annual meeting.

Directors elected to the position of President, Vice-President, Secretary or Treasurer shall assume their duties on election. All offices must be held individually, except that the offices of Secretary and Treasurer may be combined under one (1) person should circumstance require it.

The Board of Directors may appoint additional persons to serve with the Board in a limited capacity and/or to meet special needs or requirements. Such ex-officio members will not have a vote in Board matters beyond the limits of their office and only then, when authorized by the Board.

Section 4. Nomination to the Board

All Property Owners **in good standing** are eligible to serve as an officer or director of the Association, except that those persons with limited membership as defined herein, who may not hold office in the Association. Property Owners must have fully paid up POA dues and, if applicable, mowing charges in order to be **elected** to serve as an officer or director of the Association.

Section 5. Tenure

Tenure in any Board office will not be limited to a number of terms.

Section 6. Vacancies

Any unexpected vacancy on the Board of Directors, such as may be caused by death, illness, loss of eligibility or for other reasons, may be filled on an interim basis by a majority vote of the

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remaining Directors even though a quorum does not remain. Directors appointed by such Board action shall hold office until the next scheduled annual meeting. At that time, such interim Board appointments as director shall be ratified by the membership. If ratification is not forthcoming, the appointment will be terminated and a new director nominated and elected. In either case, the term in office will be limited to the remaining term of office of the vacated position.

Section 7. Removal of Board Member

Any board member who misses more than two meetings in a twelve month time frame will be subject to removal from the board. The board will review their reasons for non-attendance and their level or participation on the board. If the attendance is voted by the board of directors to be unexcused or their participation poor, the member will be removed from the board and a replacement will be named to fill out the term based on Article 6, Section 6. Vacancies.

ARTICLE VII

ORGANIZATION AND MEETINGS OF THE BOARD OF DIRECTORS

Section 1. Organization

The President of the Timber Bay Property Owners Association shall sit as Chairperson of the Board of Directors and shall conduct the board meetings in accordance with such parliamentary rules as may be adopted by the Board members. The Vice-President shall act for the President in his/her absence.

In the event the President of the Association is incapacitated by reason of death, illness, loss of eligibility, or other unforeseen circumstances and, such incapacity is expected to continue for more than ninety (90) days, or, at the request of the sitting President; then the Vice-President shall, with the consent of the Board, permanently assume the office of President and perform the duties and responsibilities of that office for the remaining term of office.

Section 2. Board of Directors Meetings

Meetings of the Board of Directors shall be convened as often as deemed necessary to conduct the business of the association. All meetings of the Board of Directors shall be convened in open session and all matters of business transacted at such meetings shall be considered a public record of the Association.

Section 2. Meetings in Closed Session

Meetings of the Board of Directors may be in closed session if and only if the reasons for closure are consistent with the laws of the State of Texas governing such action and only then, if such action is approved by majority vote of the Board

Section 3. Board Meetings in conjunction with Annual and Special Meetings

A meeting of the Board of Directors shall be automatically convened for any annual or special meeting of the general membership as may be required by these articles. On such occasions, the President shall act as chairperson for said annual or special meeting and shall conduct such meeting in accordance with parliamentary rules adopted by the Association.

Section 4. Notification of Board Meetings

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Persons holding the position of Director on the TBPOA Board of Directors shall be notified in a timely manner, by best means available, of Board meetings as they may be convened. Board meetings convened in accordance with a published schedule or by prior mutual agreement of directors, shall require no further notice. Notice of unscheduled meetings shall be passed to Directors by best available means, at least seventy-two (72) hours in advance of any unscheduled meeting.

Section 5. Attendance at Board Meetings

Persons holding the position of Director on the TBPOA Board of Directors shall be required to attend Board meetings; except that a director may be excused for reasons of poor health or other circumstances deemed acceptable by the remaining members of the Board.

Property Owners of the Association may attend any open meetings as desired. The Board of Directors shall have the right to exclude persons who are not Directors from a meeting when closed session is invoked.

Section 6. Scheduled Board Meetings

There shall be no fewer than four (4) scheduled meetings of the Board during the course of the calendar year, to be convened at a times and places to be determined by the mutual agreement of Board members. Such meetings shall be convened in open session.

Section 7. Special Board Meetings

Special or unscheduled meetings of the Board may be called by the president, by any three (3) Directors of the Board, or by lawful petition from the membership. The President or a designated member of the Board acting for the President, shall notify each Director of such meeting at least three (3) days prior to a special board meeting.

Section 8. Quorum

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Five (5) directors of the sitting Board shall constitute a quorum capable of transacting any business coming before the Board. Any act taken by this quorum shall be considered an act of the Association and all members shall be bound by that act.

Section 9. Records

The Secretary will keep minutes of all scheduled and special Board meetings. Minutes may be summary in format, but must describe all business and actions in sufficient detail as to support future review and/or actions. Board minutes shall be accepted and approved by the Board as an item of business.

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS IN ADDITION TO THOSE COVERED ELSEWHERE IN THESE BY-LAWS.

Section 1. Business Management

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The business management and affairs of TBPOA shall be conducted under the general authority of the Board of Directors, as shall be its officers, agents and employees. The Board of Directors shall have the authority to make and implement policy, authorize contracts, incur liabilities, expend or invest funds, collect dues, enforce Deed Restrictions and address such other matters and concerns as may be connected with the conduct of TBPOA operations, as and when they occur.

The Board may organize itself in such boards and committees as may be deemed necessary to meet the needs of the association and, may promulgate charters and schedules for these boards and committees.

Section 2. Delegation of Authority

The Board of Directors may grant special or general authority to others, and may likewise withdraw the same, upon such terms and conditions as the Board may direct.

Section 3. Bonds

Members of the Board of Directors shall not be required to provide bond. Bonding of agents, tradesmen and/or contractors performing service for the Association shall be at the discretion of the Board of Directors.

Section 4. Limits to Authority.

The Board is an administrative organ of the TBPOA and shall have the power to levy fines authorized in the Timber Bay Deed Restrictions. The Board of Directors shall not adjudicate by resolution, motion or act, disputes or issues between property owners regarding personal property rights; except that, in cases where such private disputes or issues impact or otherwise affect the interests of the Association. In such cases, the Board shall act solely in the interests of the Association.

Section 5. Duties of Officers

Officers of TBPOA shall perform such duties as are customarily performed by such officers of corporations and other similar associations, and shall perform such other duties as may be deemed necessary or as assigned by the Board of Directors.

Section 6. Designation of Attorney(s)-in-fact

The Board of Directors may appoint attorney(s)-in-fact to represent the Association in legal matters as deemed necessary by the Board. Attorney(s)-in-fact shall have such powers and authority as may be determined by the Board.

Section 7. Depositories

The funds of TBPOA shall be deposited in such banks and other financial institutions as the Board of Directors may determine, and shall be managed by the Board of Directors.

Section 8. Budget and Finance

The Board of Directors shall assume the fiduciary responsibility for the financial welfare of the Association. The Board shall have the authority to collect fees and other costs due to the Association, and shall direct the expenditure and use of Association assets and funds.

The Board shall have the authority to levy a late fee of \$35 on property owners for dues unpaid by March 31 of the current calendar year. The Board shall formulate and publish an annual

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budget and shall present such budget at the Annual meeting of the membership for approval by vote.

Section 9. Personal Liability

The Board of Directors in whole or in part, officers, agents or employees of the Association shall not be held personally liable any obligation or debt incurred on behalf of the Association. In all cases, any plaintiff shall look solely to the assets of the Timber Bay Property Owners Association for satisfaction of grievance.

Section 10. Foreclosure

The Directors of the Property Owner's Association shall have the right and power to collect the assessments and other fees or charges as provided elsewhere in these by-laws or the Timber Bay Deed Restrictions, or as provided by law, by collection of any lien placed upon any lot in the subdivision by way of non-judicial foreclosure, in addition to judicial foreclosure or any other remedies provided by law. Any such foreclosure shall comply with all applicable notice requirements and any other requirements as set out in the Texas Property Code or other applicable law, as same now exists or as it may be hereafter amended.

ARTICLE IX

SURPLUS

Section 1. Statutory and Financial Requirements

Surpluses accruing from the operation of TBPOA may be allocated and/or employed or re-employed in a manner determined by the Board of Directors. Income identified as surplus must be reported in the annual budget.

ARTICLE X

ORDER OF BUSINESS AT MEMBERS' MEETINGS

The following shall be the order of business at general meetings.

1. Invocation.
2. Reading and approval of Minutes of the previous meeting.
3. Reports of Officers.
4. Reports of Committees.
5. Nominations for Election of Directors (scheduled annual meeting only)
6. Election of Directors (scheduled annual meeting only)
7. Unfinished Business.
8. New Business.
9. Adjournment.

ARTICLE XI

CHANGES TO BY-LAWS

Section 1. Authority

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The Board of Directors shall have sole authority to alter, amend, replace or otherwise change association by-laws.

Section 2. Protocol

In all cases, changes to by-laws shall be presented to the Board of Directors in the form of a resolution or motion. A resolution or motion to alter, amend or otherwise change association by-laws may be proposed by any sitting member of the TBPOA Board of Directors, at any scheduled meeting of said Board in which a quorum exists. A resolution or motion may propose more than one change to by-laws. However, in such cases where multiple changes are proposed, then said resolution or motion will be voted in total, without further vote on individual elements to the resolution or motion.

Section 3: Notice

Prior to any such meeting in which a change of by-laws is scheduled to be brought to vote, a notice containing the specific alterations, amendments, changes, or if new by-laws be contemplated, a complete set thereof, shall be delivered to each Board member. Further, this notice shall announce the date, time and place in which the resolution or motion for alteration, amendment or other change shall be scheduled for vote. The method of delivery to each Board member shall be at the discretion of the Board. The Secretary of the association is charged with the responsibility to insure that due notice is delivered to each Board member.

Section 4. Voting

Each sitting Board member shall be required to vote on all resolutions or motions as presented to the Board of Directors concerning the alteration, change or replacement of the by-laws. A majority of votes for a resolution or motion to alter, amend, replace or otherwise change association by-laws shall be considered as enactment of that resolution or motion, effective on the date of vote.

Section 5: Membership Petitions

The membership of the association may petition the Board to alter, amend, change or replace by-laws. Such petitions shall be submitted in writing, in original form, to the Board of Directors and must bear the signatures of at least thirty percent (30%) of the association members to be considered a valid petition. Petitions received shall be treated as recommendations to the Board on matters related to by-laws. The Board shall give due consideration to the content and substance of each petition received, and on the conclusion of its deliberations, shall be required to report the disposition of each petition received to their respective originators. In cases where a petition is denied or otherwise rejected in whole or in part, the report of disposition shall contain a statement of the reason(s) for denial or rejection of any part or all of the submitted petition. Reports of disposition of received petitions shall be noted in minutes of the Board Meeting

A petition must contain or include:

1. A statement of the problem or issue addressed by the petition.
2. A statement of the proposed alteration, amendment, change or other action that is expected to correct or resolve that problem or issue, to include the reasoning involved in reaching the proposal.
3. The date of submission to the President of the Association for action.
4. The signatures and dates of signing of all subscribers to the petition.

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The petition for alteration, amendment, change or replacement of by-laws should be the original document bearing the original signatures of the members submitting the petition. In the event that a petition to be submitted is not the original copy, said document must be certified as a 'true copy', be notarized by a Notary Public licensed by the State of Texas and must be witnessed by two (2) persons who are not associated with the Association.

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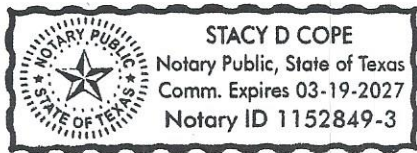
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Board of Directors, Timber Bay Property Owners Association

Stacy D. Cope

I certify under my seal of office on the 20 day of July, 2023, that the Signatories as signed above personally appeared with me and signed the foregoing statement in writing before me and swore that the facts stated in it are true.

My Commission expires on 3-19-2027



Notary Public in and for the State of Texas.

Stacy D. Cope