

BY-LAWS OF SUN EAGLE BAY OWNERS ASSOCIATION

As Amended July 15, 2017

ARTICLE ONE Membership

Section 1. Each owner of one or more lots in any section of Sun Eagle Bay Subdivision who is of good moral character, reputation and habits, and who is approved for membership by the membership committee of Sun Eagle Bay Owners Association (the "Association"), is eligible for membership.

Motion made and carried by unanimous vote of the entire Board plus the approved majority of members present at the Annual Meeting of the Association held on July 15, 2017 to modify section 2 of the By-laws to read as follows:

Section 2. All members and their immediate families shall have the right to use all the Association's facilities, including its swimming pool, parks and recreational areas, to the extent permitted by and in accordance with the terms and conditions that may be set out in the Association's rules, which may from time to time be established by its Board of Directors. **The property owner/member* must be present within Sun Eagle Bay at all times a family member and/or a guest of said member can or will be using any common area within Sun Eagle Bay. A common area is described as but not limited to the swimming pool, cabana, restrooms, and showers, boat ramps, dumping station, park area, playground, or recreational areas. ANY MEMBER WHO IS IN ARREARS FOR MORE THAN 60 DAYS IN RESPECT TO DUES OR ASSESSMENTS SHALL FORFEIT THE RIGHTS OF USAGE OF ANY COMMON USE AREA.**

- **IMMEDIATE FAMILY AS DESCRIBED BY LAW IS LIMITED TO THE FOLLOWING: FATHER, MOTHER, DAUGHTER, SON, AND GRANDCHILD**
- **PROPERTY OWNERS/MEMBERS ARE AS FOLLOWS: PERSON WHOSE NAME APPEARS ON THE WARRANTY DEED, QUICKCLAIM DEED AND OR THE DEED OF TRUST FILED AT THE WOOD COUNTY COURTHOUSE IN QUITMAN, TX.**

Section 3. Upon the termination of membership for any cause, whether by resignation, death, expulsion or otherwise, all the rights and interest of the member in the privileges, rights, properties, funds or assets of the Association shall cease, ipso facto.

Section 4. Membership shall be evidenced by such card, certificate or other writing as the Board of Directors shall authorize.

Section 5. Members shall be *APPROVED* by a membership committee which shall consist of three individuals appointed by the President of the Association, and such committee shall have final and complete authority to pass on all applications for membership. (no longer applicable)

Section 6. Each applicant for membership shall present to the Association for submission to the membership committee an application in writing containing all the information required on the application form. The application must be signed by the applicant. After the application is approved by the membership committee, the applicant shall be entitled to membership (unless thereafter expelled).

Motion made and carried by unanimous vote of the entire Board plus the approved majority of members present at the Annual Meeting of the Association held on July 18, 1998 to modify section 7 of the By-laws to read as follows:

Section 7. A member may be expelled only by a **majority** vote of all the Board of Directors, plus a **majority** vote of the Membership Committee of the Association, but subject only to the limitation, such expulsion shall be in the sole discretion of the Board and the Membership Committee. In no event shall expulsion **discharge** the expelled member's indebtedness to the Association. **Reinstatement of a member shall be by the same method of expulsion, a majority vote of both the Board of Directors and the Membership Committee.**

ARTICLE TWO Dues and Assessments

Section 1. There shall be no initiation fees. The Board of Directors by unanimous vote of the entire Board plus the approval of at least two thirds of the members *PRESENT IN PERSON OR BY PROXY AT THE ANNUAL MEETING*, may from time to time, assess additional dues and assessments.

Section 2 was amended by ballot at the July 19, 2008 annual meeting and became effective July 1, 2009.

Section 2 was amended by ballot at the July 16, 2016 annual meeting and became effective July 1, 2017.

Section 2. A non-expiring annual assessment of dues is hereby made for the following:

First lot annual dues and assessment in said subdivision is \$106.00

Additional lots in said subdivision owned by the same person prorated as follows:

Second lot annual dues and assessment is \$82.00

Third lot annual dues and assessment is \$58.00

Fourth lot annual dues and assessment is \$58.00

Additional lots after the fourth lot has annual dues and assessments of \$34.00 per each additional lot.

Motion made and carried by unanimous vote of the entire Board of Directors plus the approval of a majority of members present at the annual meeting of the association held on July 15, 2000 and July 21, 2001 to further modify Article Two of the By-laws to include the following Section 3.

Section 3. Any member who fails to timely pay any dues and or assessments will be considered delinquent and in default. Upon member's default and subject to any limitations or requirements of applicable law, it is agreed that member shall pay all other reasonable cost including reasonable attorney fees, incurred by the Association (1) in collecting the balance due, whether or not suit is brought against a member and (2) in protecting the Association from any harm that the Association may suffer as a result of member's default.

Motion made and carried by unanimous vote of the entire Board of Directors plus the approval of a majority of members present at the annual meeting of the Association held on July 21, 2001 to further modify Article Two of the By-laws to include the following Section 4.

Section 4. Such assessment shall be and is hereby secured by a lien on each lot hereunder, respectively, and shall be payable in full to the Sun Eagle Bay Owners Association (a Texas non-profit corporation), its successors and assigns, the owner of said assessment funds, July 1st of each year commencing prior to 2000, at which date in the year 2000 and in successive years said assessment lien shall conclusively be deemed to have attached, and there shall be lien securing said assessment until July 1st of each year.

Section 5. A road fee of \$100 was approved for the year fiscal 2010 on July 18, 2009 the fee of \$100 was extended for the fiscal 2011-2012, 2012-2013, 2013-2014, 2014-2015, 2015-2016, 2016-2017, 2017-2018 at the annual meeting held in July by a vote of members exceeding 67%.

Section 6. A boat ramp/fishing pier assessment \$25 was approved for the year fiscal 2010 on July 18, 2009 the fee of \$25 was extended for the fiscal 2011-2012, 2012-2013, 2013-2014, 2014-2015, 2015-2016, 2016-2017, 2017-2018 at the annual meeting held in July by a vote of members exceeding 67%.

ARTICLE THREE

Board of Directors

Section 1. The affairs and management of the Association shall be conducted by a Board of Directors consisting of the number of Directors as provided in Section 3 of this Article Three, which Board shall have full power and authority to carry out the purposes of the Association and to do any and all lawful acts necessary or proper thereto.

Section 2. Directors shall serve a term of three years and thereafter until their successors are elected and have qualified. Any Director may succeed Him/Herself and serve as many consecutive terms or non-consecutive terms as He/She may be elected. Directors must be members of the Association.

Section 3. The terms of the Board shall be so staggered that no more than two Directors shall be elected yearly, in the event of a vacancy on the Board of Directors; the remaining Board members shall appoint an interim Board Member. A special election shall be held to elect a permanent Board member within 60 days from the date that the vacancy occurred. Said special election shall be held in accordance with Article 6, Section 2 of the By-laws. The Board of Directors after such elections shall consist of five directors.

Section 4. Directors shall be elected at the annual meeting of members by a majority cast in person or by proxy at such meeting. Before the expiration of the term of any Director, the President shall appoint a nominating committee of three members, which committee shall nominate one nominee for each Directorship to be filled.

Section 5. A majority of the Directors shall constitute a quorum at any meeting, and a majority of those present shall be sufficient to determine any question, except regarding expulsion of members as hereinbefore provided. Meetings of the Board of Directors may be held at any place within Sun Eagle Bay Association property.

Section 6. A director shall be removed from office for missing three consecutive regular board meetings. Excused absences must be approved by the entire board.

Section 7 was amended by ballot at the July 17, 2010 annual meeting.

Section 7. The Board of Directors shall budget for an insure that a regular audit is performed every 3rd year by an independent and impartial accounting firm. The audit for the 3 previous fiscal years shall be completed by the end of the calendar year in which it is due. The first audit will be performed by the end of the calendar year 2010. The firm selected shall be approved by 2/3 majority of the Board. For informational purposes, the estimated cost and selected firm will be announced to the membership at least 30 days prior to beginning the audit.

ARTICLE FOUR

Officers

Section 1. The officers of the Association shall be a President, one or more Vice-Presidents, a Secretary and/or a Treasurer, elected by the Board of Directors. More than one office may be held by the same person. All officers shall be elected annually by the Board of Directors within a reasonable time after the annual meeting of the membership of this Association. All officers shall hold office for a period of one year, or until his/her successor is duly qualified. Officers shall be required to be members of the Association.

Section 2. The President shall be the chief executive officer of the Association and shall preside over meetings of the Board of Directors and meeting of the membership.

Section 3. Any Vice-President shall exercise the functions of the President in his or her absence and shall perform such duties as the Board of Directors may prescribe.

Section 4. The Secretary shall keep, or cause to be kept, the minutes of all meetings and a complete list of all members and their addresses, shall give the notices required therein, and shall perform all duties required of a secretary.

Section 5. The Treasurer shall collect all fees, dues and charges and shall handle *and* disburse all money. The Treasurer shall be responsible for the proper accounting of the Association's financial affairs and the preparing of proper reports on financial matters and such other reports as may be specified by the Board of Directors.

ARTICLE FIVE

Committees

Section 1. The Board of Directors or the President may appoint such committees from time to time, and delegate to such committees such duties as may be deemed proper.

Section 2. The appointments of the membership committee and the nominating committee shall be made by the president as provided above.

ARTICLE SIX

Meetings

Section 1. The annual meeting of the members of the association shall be held at the park area in Sun Eagle Bay Subdivision on the third Saturday in July at 10:00 o'clock A.M. Special meetings may be called by the President or by a majority of the Board of Directors.

Section 2. The number of members entitled to vote, present in person or by proxy at an annual meeting of members shall constitute a quorum there at. The vote of a majority of the total votes cast by qualified voting members present in person or by proxy shall decide any questions brought before such meeting, the respective members to have such number of votes hereinbefore provided in Article One.

Section 3 was amended by ballot at the July 17, 2010 annual meeting.

Section 3. Without notice, the regular meeting of the Board of Directors shall be held on the same day and at the same place as the annual meeting every other month. Special meetings of the Board of Directors shall be called at any time by the President or by any three members of the Board of Directors. Ten days written notice shall be required for special meetings.

ARTICLE SEVEN

Miscellaneous

Section 1. These By-laws or any part thereof may be amended, modified or repealed only by a majority vote of the membership of this association at the annual meeting as provided by Article 6, Section 2.

Section 2. Unless otherwise required by statute, by the Articles of Incorporation or these By-laws, any notice required to be given shall not be deemed to be personal notice, but may be orally given by the President causing to be posted such notice upon any bulletin board at the park area in the Sun Eagle Bay Subdivision.

Section 3. The Association shall not enter into any contract to pay, and shall not pay, any salary or other remuneration to any officer, Director or committee member of the Association for their services as such nor in any other capacity regardless of the capacity in which they may act.

Motion made and carried by unanimous vote of the entire Board plus the approval of a majority of members present at the annual meeting of the Association held on October 19, 2003 to amend Sec 14 of the Sun Eagle Bay Subdivision Deed Restrictions by modifying Article Seven of the By-laws to include Section 4.

Section 4. No child or guest under the age of twelve years, without adult supervision, shall be permitted to operate any Golf Cart or other motor driven vehicle on any property owned or leased by Sun Eagle Bay Owners Association or its members. Repeated violations shall subject the parents of the child or host of the guest to expulsion from the Sun Eagle Bay Owners Association provided under Article One, Section 7 of these By-laws of the Sun Eagle Bay Owners Association.