

BYLAWS  
OF  
THE CIVIC ASSOCIATION OF THE FIRST MONTROSE COMMONS, INC.  
A TEXAS NON-PROFIT CORPORATION

ARTICLE ONE: NAME

1.01 The name of the Texas non-profit corporation is “The Civic Association of The First Montrose Commons, Inc.” (hereinafter called the “Association”).

ARTICLE TWO: NON-PROFIT ORGANIZATION

2.01 The Association is a non-profit corporation.

ARTICLE THREE: PURPOSE

3.01 The primary purposes of the Association are to (i) protect, preserve, and improve the residential nature of the hereinafter defined Territory, (ii) to combat crime and residential and community deterioration in and around the Territory, and (iii) to promote the civic and social welfare and well-being in and around the Territory.

ARTICLE FOUR: TERRITORY

4.01 The Association shall serve a particular area located in Houston, Harris County, Texas, that area being bound by the centerlines of West Alabama Street on the north, Milam Street on the east, Richmond Avenue on the south, and Montrose Boulevard on the west (hereinafter called the “Territory”).

ARTICLE FIVE: MEMBERSHIP

5.01 Classes of Membership. The Association shall have three (3) classes of membership: Residential, Commercial, and Associate, all of which may attend meetings and engage in the activities of the Association. The control and management of the Association shall be vested in the membership, unless otherwise provided for in these Bylaws.

(A) Residential Members. The Association recognizes Residential Members as those individuals who are owners of residential or undeveloped property within the Territory and/or are legal residents within the Territory. Additionally, Residential Members must be at least eighteen (18) years of age and must be paid members of the Association in good standing.

(B) Commercial Members. The Association recognizes Commercial Members as those individuals or entities who operate and/or conduct business within the Territory. Additionally, Commercial Members must be paid members of the Association in good standing. The Board shall have at all times the right, without the necessity of cause or reason, to refuse membership to any individual or entity seeking to become or remain a Commercial Member upon the Board’s majority decision.

The Board shall likewise have at all times the right, without the necessity of cause or reason, to expel any Commercial Member upon the Board's majority decision.

(C) Associate Members. The Association recognizes Associate Members as public education facilities or non-profit organizations located and/or operating within the Territory of the Association. Additionally, Associate Members must be paid members of the Association in good standing. The Board shall have at all times the right, without the necessity of cause or reason, to refuse membership to any individual or entity seeking to become or remain an Associate Member upon the Board's majority decision. The Board shall likewise have at all times the right, without the necessity of cause or reason, to expel any Associate Member upon the Board's majority decision.

5.02 Requirements. Membership of any kind is contingent upon payment of membership dues, as set forth in Article Seven hereinbelow.

5.03 Restrictions. Membership in the Association is not transferable or assignable.

5.04 Forfeiture. Any member whose dues are sixty (60) days in arrears shall forfeit membership in the Association, but may be reinstated upon payment of current dues.

#### ARTICLE SIX: VOTING RIGHTS

6.01 Equal Representation. Each Residential, Commercial, and Associate Members shall be entitled to one (1) vote on each matter submitted to a vote of the members. Each Commercial Member shall designate, on its application or otherwise, one (1) natural person who alone may cast the vote of that Commercial Member. Each Associate Member shall designate, on its application or otherwise, one (1) natural person who alone may cast the vote of that Associate Member.

6.02 Member in Good Standing. No member may vote unless that member's dues are current.

6.03 Active Voting Rights. For the purpose of determining the members of the Association entitled to vote at any meeting, the membership of the Association shall be determined at the close of business on the sixtieth (60<sup>th</sup>) day preceding such meeting.

#### ARTICLE SEVEN: DUES

7.01 Rates. The annual dues shall be Ten and No/100 Dollars (\$10.00) per person for Residential and Associate Members. The annual dues for Commercial Members shall be set by the Board at its sole and unilateral discretion. All dues for Residential and Associate Members are payable on January 1<sup>st</sup> of each year and are effective upon payment. All dues for each Commercial Member are immediately payable upon the initiation or the renewal of such membership and are effective upon payment. Dues paid in any given calendar year are for that year unless the member has paid twice, in which case, dues will advance to the next calendar year.

7.02 Restrictions. Dues for Residential and Associate Members will not be discounted, prorated, or refunded. Dues for Commercial Members may be discounted, prorated, or refunded within the sole and unilateral discretion of the Board.

7.03 Dispensation. Dispensation of dues paid for membership in the Association may be approved by a majority vote of the members or the Board.

#### ARTICLE EIGHT: FISCAL YEAR

8.01 The fiscal year of the Association for all business matters that may come before the Association shall begin on January 1<sup>st</sup> and end on December 31<sup>st</sup> of each year.

#### ARTICLE NINE: MEETINGS

9.01 Frequency and Notice. Meetings shall be held a minimum of six (6) times each year. Printed notice stating the date, place, and time of any meeting shall be distributed to the membership and to the public located in the Territory.

9.02 Special Meetings. Special membership meetings may be held at any time on call of the President, or by the Vice-President in the absence of the President, or on call of a majority of the Board, or upon the written request of not less than one-tenth (1/10) of the members having voting rights. All members shall be given one (1) week notice in writing of such meeting stating the date, place, time, and reason for the meeting.

9.03 Quorum. A quorum at any duly called regular or special meeting shall consist of no less than one-tenth (1/10) of those members who are eligible to vote.

9.04 Decision Making. A majority vote by the members present at a meeting shall be the act of the members, including the election of the Board.

9.05 Voting in Absentia or by Proxy. Absentee votes are permitted by signed and witnessed affidavit on the particular issue submitted for vote and must be filed with the Secretary at or before the meeting at which a vote is scheduled to be taken. Voting by proxy is not permitted.

9.06 Actions Without Meetings. Any action required by these Bylaws or by law to be taken at a meeting of the members of the Association or at a meeting of the Board may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the members of the Association entitled to vote with respect to the subject matter thereof or signed by all of the members of the Board, as the case may be. Such consent shall have the same force and effect as a unanimous vote at a meeting.

9.07 Rules. Robert's *Rules of Order Revised* shall govern the procedure and conduct of all meetings of the Association, to include those of the Board and any committees, when not in conflict with these Bylaws. Working ground rules may be established by the members present at any meeting, when not in conflict with these Bylaws.

## ARTICLE TEN: BOARD OF DIRECTORS AND OFFICERS

10.01 Management of the Association. The affairs of the Association shall be managed by the Board of Directors subject to the Articles of Incorporation and these Bylaws. Directors must be members in good standing of the Association as defined in Article Five of these Bylaws.

10.02 Board of Directors. The following positions shall be deemed a member of the Board of Directors (herein these Bylaws sometimes collectively called the “Board” or the “Directors”, and sometimes individually referred to as a “Director”): President, Vice-President, Secretary, Treasurer, Historian, Director of Communications, Director of Membership, and such other directors as may be elected by the membership in accordance with the provisions of this article. The Board shall at all times consist of an uneven number of members. The Board may elect or appoint assistant directors, including one or more assistant secretaries and one or more assistant treasurers, as it shall deem desirable; such assistant directors shall have the authority and perform the duties prescribed, from time to time, by the Board, but shall not have authority or voting rights equal to a Director. Any two or more offices may be held by the same person, except the offices of President and Vice-President, President and Secretary, or President and Treasurer.

10.03 Election of Board of Members. All Directors shall be elected annually at the regular meeting of the Association in November by a majority vote of the membership present. Each Director shall hold office until his or her successor shall have been duly elected and shall have qualified. Directors shall be installed immediately upon election and shall hold office for one (1) year.

10.04 Special Meetings. Special meetings of the Board may be held on call of the President, on call of the Vice-President, or on the call of a majority of the Board. Directors shall be given one (1) week’s notice of such meeting stating the date, time, place, and reason for the meeting.

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

10.06 Decision Making. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board, unless the act of a greater number is required by law or these Bylaws.

10.07 Actions Without Meetings. Any action required by law to be taken at a meeting of the Board or any action which may be taken at the meeting of the Board may be taken without a meeting if a consent in writing setting forth the action so taken shall be provided by all of the Directors.

10.08 Actions by Electronic Mail. Any action required by law to be taken at a meeting of the Board or any action which may be taken at the meeting of the Board may be taken by exchange of electronic mail between all Directors, so long as all then serving Directors acknowledge by electronic mail the action to be taken.

10.09 Compensation & Reimbursement. Directors shall not receive compensation for their services as directors, but may receive reimbursement for expenses. Reimbursement exceeding Fifty

and No/100 Dollars (\$50.00) must be approved by the President. Any reimbursement requires a receipt to be submitted.

10.10 Resignations. A Director may resign by giving written notice to the President. The resignation shall be effective at the next regular meeting of the membership, at which time the vacancy will be filled by nominations from the floor with election to follow at that meeting.

10.11 Removals. Any Director may be removed from the Board by a majority vote of the remaining members of the Board for nonperformance of Board or executive duties and responsibilities. Any Director may also be removed by the members whenever in their judgment the best interest of the Association would be served thereby, but such removal shall be without prejudice and shall be accomplished by a two-thirds vote of the eligible voting members at the next regular meeting after the motion to remove has been made.

10.12 Vacancies. Any vacancy occurring in the Board because of death, resignation, removal, disqualification, or otherwise, and any directorship to be filled by reason of an increase in the number of Directors, shall be filled by a special election to be held at the next regularly scheduled meeting of the members. In the interim, the President may appoint a qualified member of the Association to perform the responsibilities of the vacated office. The nominations for such vacancy shall be made from the floor by any member and shall be specific as to which vacant Director's term the nomination is for. A Director elected to fill a vacancy shall assume office immediately after being elected, be elected for the unexpired term of the predecessor in office, and shall likewise fill the executive office of the predecessor for the unexpired term.

10.13 Officers and Duties. The following positions shall be deemed Officers of the Board and the Association: President, Vice-President, Secretary, and Treasurer. Officers (sometimes individually referred to herein these Bylaws as an "Officer") must be Residential Members.

(A) President. The President shall be the principal executive officer of the Association and the chairman of the Board, and shall, in general, supervise and control all of the business and affairs of the Association. He or she shall preside at all meetings of the members and of the Board. He or she may, with the advice and consent of the Board, appoint ad hoc committees and appoint committee chairpersons. He or she may sign (i) documents of the Association, with the Secretary or any other Officer of the Association authorized by the Board, and (ii) any instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by the Bylaws. He or she shall perform all duties incident to the office of President and other duties as may be prescribed by the Board from time to time. The President shall, sixty (60) days before the November meeting of each year, appoint a nominating committee to present a slate of Directors to be elected at the November meeting to serve for the ensuing year. This slate, along with any candidates nominated by the membership, shall stand for election at the regular November meeting, as set forth in paragraph 10.03. The President or his designee shall attend the monthly Neartown Association meeting and report relevant issues discussed therein to the membership.

(B) Vice-President. In the absence of the President or in the event of his or her inability or refusal to act, the Vice-President (or in the event there be more than one Vice-President, the Vice-Presidents in the order of their election) shall perform the duties of the President, and when so acting, shall have all the power of and be subject to all the restrictions upon the President. He or she will secure block captains for distribution purposes and call block captains monthly regarding distributions and/or other special duties as from time to time may be assigned to block captains. Any Vice-President shall perform such other duties as from time to time may be assigned to him or her by the President or by the Board.

(C) Secretary. The Secretary shall file, maintain, and act as custodian for all permanent records of the Association. The Secretary shall attend all meetings of the members and of the Board, and shall accurately record the proceedings at such meetings in a manner suitable for that purpose. The Secretary shall receive communications for the Association, shall keep current membership lists, and shall be responsible for all notices required by these Bylaws but not otherwise assigned, and shall pass all records of the Association in his or her possession to any successor. The Secretary shall make available for inspection, for any proper purpose, at any reasonable time, by any member, the permanent records of the Association. The Secretary shall perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board.

(D) Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds of the Association. The Treasurer shall keep a current record of all financial transactions, give receipts for moneys due and payable to the Association from any source whatsoever, disburse money as authorized by the membership or the Board, and deposit all such moneys in a timely manner in the name of the Association in such banks, trust companies, or other depositories as shall be selected in accordance with Article Twelve of these Bylaws, listing singularly all deposits by name, check amount, check number, and date of check; and as prescribed by law, shall make available to the membership at the monthly meeting written financial reports. All checks issued in the name of the Association must be signed by the Treasurer and one other officer, or in a manner to be determined from time to time by the Board. The Treasurer shall prepare and mail notice for all amounts payable to the Association no less than thirty (30) days before such amounts are due. He or she shall maintain a record of all members in good standing to include names and addresses. The Treasurer shall be ready at any time to provide members of the Board with all information regarding the financial transactions of the Association, and shall present, every quarter, detailed financial reports to the membership. The Treasurer shall also make available for inspection, at any reasonable time, by any member, the bank statements of the Association. The Treasurer shall perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board.

(E) Historian. The Historian shall maintain all historical records of the Association not necessary in current operations, and shall perform all duties incident

to the office of Historian and such other duties as from time to time may be assigned to him or her by the President or by the Board.

#### ARTICLE ELEVEN: COMMITTEES

11.01 Appointment of Committees. The Board, by resolution adopted by a majority of Directors in office, may appoint one or more committees.

11.02 Term. Each member of a committee shall be a member in good standing of the Association and shall continue as such committee member until his or her successor is appointed, unless (i) the committee shall be sooner terminated, (ii) such member submits a signed resignation to the committee chair, (iii) such member be removed from such committee, or (iv) such member shall cease to qualify as a member thereof.

11.03 Chair. A member of each committee shall be appointed chair by resolution adopted by a majority of Directors in office.

11.04 Vacancies. Vacancies in the membership of any committee may be filled by appointment made in the same manner as provided in the original appointment.

11.05 Quorum. Unless otherwise provided in the resolution of the Board designating a committee, a quorum shall consist of those committee members present and eligible to vote and the act of a majority of the committee members present at a meeting shall be the act of the committee.

11.06 Rules. Each committee may adopt rules for its own government not inconsistent with those stated in paragraph 9.07 of these Bylaws.

11.07 Limits of Authority. No committee shall have the authority to (i) amend, alter, or repeal the Bylaws, (ii) elect, appoint, or remove any member of any such committee or any Director, (iii) amend the Articles of Incorporation, (iv) adopt a plan of merger or adopt a plan of consolidation with another corporation, (v) authorize the sale, lease, exchange, or mortgage of all of substantially all of the property and assets of the Association, (vi) authorize the voluntary dissolution of the Association or revoking proceedings therefor, (vii) adopt a plan for the distribution of the assets or any funds of the Association, or (viii) amend, alter, or repeal any resolution of the Board which provides that it shall not be amended, altered, or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board or any individual Director or any responsibility imposed by law.

#### ARTICLE TWELVE: CHECKS, DEPOSITS, AND FUNDS

12.01 Checks, Drafts, Cash, Etc.. All checks, drafts, or orders for the payment of money issued in the name of the Association shall be signed by such Officers of the Association and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Treasurer and countersigned by the President or the Vice-President of the Association. In the event of any cash disbursements made in the name of the Association with the approval of those signatory officers so designated, a descriptive receipt shall be obtained from the payee and placed with the corresponding invoice, etc., if any, and filed with the records of the Association.

12.02 Deposits. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board may select. In the case of cash payments made to the Association, a proper receipt shall be issued therefor with a duplicate of such receipt filed with the records of the Association.

12.03 Gifts. The Board may accept on behalf of the Association any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Association.

#### ARTICLE THIRTEEN: BOOKS AND RECORDS

13.01 The Association shall keep correct and complete books and records of accounts and shall also keep appropriate minutes of the proceedings of its members, Board, and committees, and shall maintain a record giving the names and addresses of the members entitled to vote. All books and records of the Association may be inspected by any member for any proper purpose at any reasonable time.

#### ARTICLE FOURTEEN: COMMUNICATIONS AND CORRESPONDENCE

14.01 Official Spokesperson. The President of the Association shall be the official spokesperson. No member of the Association, including individuals elected to the Board, shall represent himself or herself as an official spokesperson of the Association without the express approval of the President, or in the absence of the President, the Vice-President (or in the event there be more than one Vice-President, the Vice-Presidents in the order of their election).

14.02 Written Communications. Any written communications which represent the Association, such as those communications on the Association's letterhead, or where the writer identifies himself or herself as a representative of the Association, or where representative views of the Association's membership are implied, will carry either the signatures of both the President and the primary author, or both the President and a member of the Board. The foregoing notwithstanding, the Board may, from time to time and upon unanimous vote, authorize individual members of the Board to engage in written communications on behalf of the Association for a specific, stated purpose, without the requirement of a counter-signature.

#### ARTICLE FIFTEEN: WAIVER OF NOTICE

15.01 Whenever any notice is required to be give under the law, the Articles of Incorporation, or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time state therein, shall be deemed equivalent to the giving of such notice.

#### ARTICLE SIXTEEN: INDEMNIFICATION

16.01 The Association shall indemnify every Director or Officer, or former Director or Officer, of the Association to the extent allowed and in accordance with the laws of the State of Texas.

#### ARTICLE SEVENTEEN: LIMITATION OF LIABILITY

17.01 No Director or Officer shall be liable to the Association for monetary damages for an act or omission in the Director's or Officer's capacity as a director or an officer of the Association to the extent allowed and in accordance with the laws of the State of Texas.

#### ARTICLE EIGHTEEN: INVALID PROVISIONS

18.01 The invalidity of any provision of these Bylaws shall not be deemed to impair or affect in any manner the validity, enforceability, or effect of the remainder of these Bylaws, and in such event, all of the other provisions of these Bylaws shall continue in full force and effect as if such invalid provision had never been included herein.

#### ARTICLE NINETEEN: NUMBER AND GENDER

19.01 Words of any gender used in this instrument shall be held and construed to include any other gender, and words singular shall be held to include the plural, unless the context otherwise requires.

#### ARTICLE TWENTY: AMENDMENTS TO BYLAWS

20.01 These Bylaws may be altered, amended, or repealed, and new bylaws may be adopted by a two-thirds majority of the members present at any regular or special meeting, provided that at least five (5) days written notice, stating the date, place, time, and reason for the meeting is given to the members. In the event these Bylaws are amended or new bylaws are adopted, the President, Secretary, or any Vice-President of the Association is hereby authorized and empowered to execute, acknowledge, verify, swear to, deliver, record, and file on behalf of the Association all certificates, documents, and other instruments which such Officers deem appropriate to evidence, reflect, or give notice of any such amendment to these Bylaws or adoption of new bylaws; and all persons dealing with the Association shall be entitled to rely conclusively on the power and authority of such Officer and shall not be obligated to independently ascertain or inquire into the validity of any such amendment hereto.