

## AMENDED BYLAWS OF THE PINE TRAIL OWNERS ASSOCIATION

This AMENDED BYLAWS OF THE PINE TRAIL OWNERS ASSOCIATION ("PTOA"), hereafter referred to as "Bylaws" is made effective as of November 1, 2022.

By unanimous vote of the Board of Directors of the PTOA ("Board"), the Bylaws of the PTOA are amended as provided below.

### Article I. Association Membership

#### Section 1.01 Property Owners/ Members

- A. Pine Trail Shores is a deeded subdivision with restrictions governing each section A, B, C and D. The recorded Subdivision Restrictions ("Restrictions") apply to all lots within the Pine Trail Shores Subdivision.
- B. Property owners in the Pine Trail Shores Subdivision (the "Subdivision") may become members in the PTOA ("Members") if they are of good moral character, reputation and habits, by making application in writing to join the PTOA (also referred to as "Association" or the "Club"), being accepted by the membership committee of the PTOA, and paying the dues established by the PTOA for membership. Members are entitled to vote on Association matters and in Association elections, to use the Association's/Club's facilities, and attend membership meetings and social functions of the PTOA/Club.
- C. The right to use all of the Association's/Club's facilities.
  1. All Members and their families shall have the right to use all of the Association's/Club's facilities, including the boat docks and ramps, park and recreational area to the extent permitted by and in accordance with the terms and conditions that may be set out in Association rules which the Members may from time to time establish.
- D. Evidence of Membership – Membership shall be evidenced by a membership card or written certificate by the Board.
- E. Membership Committee
  1. The Membership Committee shall consist of three Members appointed by the President of the Association.
  2. The Membership Committee shall review the applications which are submitted by property owners in the Subdivision for membership in the Association.
  3. The Membership Committee shall have authority to decide on applications for membership. A denied applicant may appeal to the Board.
  4. After approval by the Membership Committee, the applicant shall be entitled to membership in the Association.
- F. Expulsion
  1. A Member may be expelled by a majority vote of the Members.
  2. Expulsion/voluntary withdrawal will not discharge the departing Member's accrued and unpaid dues owed to the Association.

**G. Votes**

1. Each approved membership application gets one vote.
2. The Board may authorize Members to vote by mail or email on the election of directors and officers or on any other matter that the Members may vote on.
3. The Board may authorize proxy votes via email.
4. All Members are entitled to vote.

**Article II Fines and Liens for Violation of Restrictions.**

Section 2.01 The Board is empowered to impose fines and liens to enforce the restrictions specified in the Restrictions for violations and non-compliance with the Restrictions. This applies to all lots and lot owners within the Subdivision.

- A. The Board may levy fines of up to \$200.00 per day for violations of the Restrictions that the Board considers to be willful and egregious, after notice, opportunity to cure, and opportunity for a hearing.
- B. Type of fine. If a violation is ongoing or continuous, the fine may be levied on a periodic basis (such as daily, weekly or monthly). If a violation is not ongoing but is instead sporadic or periodic, the fine may be levied on a per occurrence basis.
- C. Notice and Opportunity for Hearing. Before a fine is levied, a property owner must be provided notice of the specific violation, a time to cure the violation (if it can be cured), and the opportunity for a hearing before the Board. If the violator is a Member, the Board may adopt a collection policy that applies payments to unpaid fines before retiring any dues owed or any other amounts owed to the Association. If the Board deems a situation to require prompt remediation before taking time for notice, time to cure and opportunity for hearing (such as vehicles being parked illegally or in violation of posted signs, or where there is imminent danger to life or property), the Board may take whatever action it deems appropriate under the circumstances to have the situation remedied (such as calling the sheriff's department or taking other action deemed necessary). The issue of dues is addressed in another section of the Bylaws.

**Article III Assessments and Dues**

- A. Annual assessments and dues shall be billed to property owners owning lots in the Subdivision.
- B. A majority of the Members must approve all increases in the amount of assessments and dues.
- C. The Board shall have in place an Alternate Payment Plan for those property owners who need to pay the annual assessments over a three-month period in four payments of 25% each.

**Article IV Board of Directors**

Section 4.01 The affairs and Management of the Association shall be conducted by the Board.

- A. The Board will consist of at least three and no more than five resident Members.
- B. The Board shall have full power and authority to carry out the purpose, business and operations of the Association; and to do any lawful acts necessary or proper to accomplish this, including, but not limited to acts specified in the Restrictions.
- C. Directors shall serve a term of three years and thereafter until their successors are elected. Directors must be resident Members of the Association.
- D. The terms of the Directors shall be so staggered that one of the Directors shall be elected each year. Vacancies will be filled by a majority of the remaining Directors appointing a Member to fill the term of the Director who left.
- E. Directors shall be elected at the annual meeting of Members by a majority of the votes cast by the Members, in person or by proxy. Before the expiration of the term of any Directors, the Board shall appoint a nominating committee of three Members; the committee shall nominate one nominee for each directorship to be filled.
- F. A majority of Directors currently holding office shall constitute a quorum at any Board meeting, and a majority of those present shall be sufficient to determine a question or issue, except in regard to increased Dues. Meetings of the Board May be held at any place in Smith County, Texas.

Section 4.02           The President shall be the chief executive officer of the Association and shall preside over meetings of the Board and meetings of the Members.

Section 4.03           The Vice President shall exercise the function of the President in his/her absence and shall perform such other functions and duties as the Board may prescribe.

Section 4.04           The Secretary shall keep, or cause to be kept, the minutes of all meetings of the Board and the Members and a complete list of all Members and their contact information, and shall provide all notices required, and shall perform all duties of a secretary.

Section 4.05           The Treasurer shall work closely with the Board in the collection of all fees, dues and other charges and the handling and disbursing of all monies. The Treasurer shall keep, or cause to be kept, the proper accounting of the Association's financial matters and such other reports and duties may be specified by the Board.

Section 4.06           The Board may appoint such committees from time to time, and delegate to such committees such duties, as it deems proper and appropriate. All committee members serve at the discretion of the Board and are subject to removal by the Board.

Section 4.07           Spouses, family members or people living together in the same household may not serve on the Board at the same time.

## **Article V   Meetings**

Section 5.01           Conduct of Meetings

- A. Advance notice shall be provided to Members as provided below before a Regular or Special board meeting, and all Members are entitled to attend the board meeting and any meeting of Members.

- B. The person presiding over meetings may appoint a parliamentarian. The current Robert's Rules of Order governs the conduct of meetings of the Association. Proper decorum will be expected at Board and Members' meetings.
- C. The annual meeting of Members of the Association shall be held at the recreational center of the Association on the last Saturday of September of each year at 10:00 am.
- D. Regular Board meetings will be held in person, with appropriate prior notice to the Members, with attached planned agenda.
- E. When the Board deems it necessary, it may communicate and make decisions via email or phone, but minutes are to be provided for any decisions made.

**Article VI Amendments**

- A. These Bylaws or part thereof may be amended, modified or repealed by the unanimous vote of the Board of Directors.

**Article VII Notices**

- A. Notices to Members about Regular Board meetings and special Members' meetings shall be provided by email. Postal or certified mail will only be used for those instances required by Texas statutes. Any notice requirements of Texas statutes shall be followed. Notices will also be posted on the website and the bulletin board at the Association recreational center.
- B. Current Texas law (Chapter 209 Property Code) requires 144 hours (six days) notice to Members prior to a Regular Board meeting and 72 hours (3 days) notice for Special Board meetings (unless the exigencies of the situation require the Board to meet on less notice).

**Article VIII Records Retention**

The Association has a Records Retention Policy:

- A. Copies of recorded articles of incorporation, restricted covenants, bylaws (and all amendments to these documents) shall be retained permanently.
- B. Financial books and records, tax returns, and any audit records shall be retained for seven years.
- C. Account records of current property owners and Members shall be retained for five years.
- D. Contracts with a term of one year or more shall be retained for four years after the expiration of the contract term.
- E. Minutes of meetings of the Board and the Members of the PTOA shall be retained for seven years.
- F. Records not listed above are not subject to retention. Upon expiration of the retention date, the applicable record will be considered not maintained as part of the PTOA's books and records.

**Article IX Records Production and Copying**

The Association has a Records Production and Copying Policy:

Any member of the PTOA ("Member") may inspect and/or receive copies of books, records and documents maintained by the PTOA pursuant to the following conditions.

The Member desiring to inspect and/or receive copies of books, records and documents maintained by the PTOA shall provide written notice to Board, which notice shall specify the particular books, records and/or documents desired to be inspected and/or copied.

Subject to the payment as provided for below, the PTOA shall provide a reasonable opportunity for the Member to inspect the particular books, records and/or documents specified in the written notice, within ten working days after receipt by the Board of the written notice.

Subject to payment as provided for below, the PTOA shall provide copies of records, books and/or documents specified in a written notice requesting copies of such particular documents, within ten working days of the Board's receipt of the written notice for specified copies.

Costs to be paid by the member to the PTOA include:

- For inspection of a significant volume of books, records and/or documents maintained by the PTOA, the Member shall pay to the PTOA in advance \$25.00 to cover labor involved by the Board to make the books, records and/or documents available.
- For copies of a significant volume of books, records and/or documents maintained by the PTOA, the Member shall pay in advance to the PTOA \$25.00 to cover labor involved by the Board to obtain or make copies of the specified documents, plus the Members shall pay \$0.25 per page for copies made-in-house by the Board, but for documents which the Board in its sole discretion has copied by an outside vendor, the Member shall pay the actual costs charged by the vendor.
- For inspection or a copy of a single document or a few similar documents, the person who maintains that document in PTOA files may in his/her sole discretion provide the inspection and/or copy/copies at no cost to the Member.

The PTOA may require advance payment of the estimated costs of providing copies of requested documents. If the estimated costs are lesser or greater than the actual copying costs, the PTOA shall submit a final invoice to the Member on or before the 20<sup>th</sup> business day after the date the copies are delivered. If the final invoice includes additional amounts due from the Member, the Member shall pay the amount due to the PTOA within twenty days from the date the invoice from the PTOA is sent to the Member. If not timely paid, the amount due may be added as an assessment to the Member's account. If the estimated costs of copying exceed the final invoice, the PTOA shall refund to the Member the amount of overpayment within the 20<sup>th</sup> business day after the invoice is sent to the Member.

The Board may maintain confidential and refuse to provide access to documents involving personnel matters, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with PTOA's attorney, matters involving invasion or privacy of individual property owners in the subdivision or Members, and matters that are to remain confidential by request of the affected parties and the agreement of the Board.

Any Pine Trail Shores property owner in good standing that is not a member of PTOA may also request to inspect and/or receive copies of books, records and documents at the discretion of the board.

#### **Article X Verification Process for HOA Finances**

The HOA Board will have a process for verifying the account balances and financial status of the HOA. The process will include the following:

- PTOA President shall have access to bank website and shall check the HOA account balances on a monthly basis (or periodically).
- At regularly scheduled Board meetings, the Treasurer shall provide copies of the most recent bank statement along with the Treasurer's Report.
- Annually, the President, Vice President, Secretary and Member not on the Board, to be chosen by the Board, (this "Committee") shall meet with the Treasurer to go through all PTOA financial records to ensure that appropriate procedures are being consistently followed, that the accounts are balanced and that all deposits and payments are accounted for. A report of the finding will be prepared and signed by this Committee for the Secretary's and Treasurer's files. This report shall be retained for seven years.

#### **Article XI Potential Conflicts of Interest**

The Association may not make any loan to a director or officer of the Association. A Member, Director, officer, or committee member of the Association may lend money to-and otherwise transact business with--the Association except as otherwise provided by the Restrictions, these Bylaws, the articles of incorporation, and applicable law. Such a person transacting business with the Association has the same rights and obligations relating to those matters as other persons transacting business with the Association. The Association may not borrow money from-or otherwise transact business with-a Member, director, officer, or committee member of the Association unless the transaction is described in a legally binding instrument and is in the Association's best interests. The Association may not borrow money from--or otherwise transact business with--a Member, director, officer, or committee member of the Association without full disclosure of all relevant facts and without the Board's approval, not including the vote of any person having a personal interest in the transaction. Members may be reimbursed for expenditures on behalf of the Association if at the Board's direction.

#### **Article XII General Provisions**

- A. The Association shall not enter into any contract with and shall not pay any salary or other remuneration to any Director or committee member of the Association for their services.
- B. The Association may charge a transfer fee of \$75.00 for each lot sold or transferred in the Subdivision.
- C. The Association may charge a fee of \$100.00 for each Resale Certificate provided.

#### **Article XII Indemnification**

Section 12.01 The Association shall indemnify each director, officer and committee member of the Association, and such person's heirs, executors and administrators against all loss, costs, and expenses, including counsel fees, reasonably incurred by him/her in connection with any action, suit or proceeding, or threatened action, to which the person may be made a party by reason of his/her being an officer, director or committee member of the Association, except as to matters as to which he/she shall be finally adjudged in such action, suit or proceeding, to be liable for willful misconduct,

or gross negligence. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by legal counsel that the person to be indemnified was not guilty of gross negligence or willful misconduct in the performance of his/her duty as such officer, director or committee member in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such a person may be entitled.

Section 12.02 Officers, Directors and committee members shall not be liable to other Members for the good faith performance of their duties.

**CERTIFICATE OF PRESIDENT**

I certify that I am the duly elected and acting President of the Pine Trail Owners Association and that the foregoing Amended Bylaws of the Pine Trail Owners Association was duly passed and enacted by the unanimous vote of the Board of Directors of the Pine Trail Owners Association.

Dated: 11-7-2022

Bob Barnes

Bob Barnes

President of the Pine Trail Owners Association

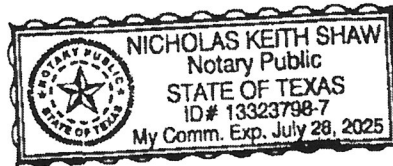
STATE OF TEXAS \*\*

COUNTY OF SMITH \*\*

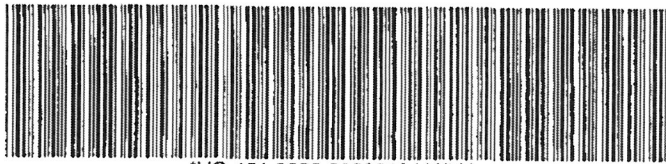
This instrument was acknowledged before me on the 7<sup>th</sup> day of November, 2022, by Bob Barnes, being the President of the Board of Directors of the Pine Trail Owners Association.

Nicholas Keith Shaw

Notary Public, State of Texas







\*VG-151-2022-202201041970\*

Smith County  
Karen Phillips  
Smith County Clerk

Document Number: 202201041970

Real Property Recordings  
RESTRICTION

Recorded On: November 07, 2022 11:20 AM

Number of Pages: 8

Billable Pages: 7

" Examined and Charged as Follows: "

Total Recording: \$50.00

\*\*\*\*\* THIS PAGE IS PART OF THE INSTRUMENT \*\*\*\*\*

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

**File Information:**

Document Number: 202201041970  
Receipt Number: 20221107000063  
Recorded Date/Time: November 07, 2022 11:20 AM  
User: Suni W



STATE OF TEXAS  
Smith County

I hereby certify that this Instrument was filed in the File Number sequence on the date/time printed hereon, and was duly recorded in the Official Records of Smith County, Texas

Karen Phillips  
Smith County Clerk  
Smith County, TX