

2012 AMENDED and RESTATED BYLAWS
OF
TIKI ISLAND CIVIC ASSOCIATION

WHEREAS, the original Bylaws of TIKI ISLAND CIVIC ASSOCIATION (hereinafter the “Association” or “corporation”) were recorded in the Official Records of Real Property of Galveston County, Texas on December 22, 1999 under County Clerk's File Number 014-17-2192, et. seq.;

WHEREAS, Article XIII of the Bylaws of the Association provides that said document may be “amended at any membership meeting, annual or special, by a two-thirds (2/3) majority vote of the members present”;

WHEREAS, at a special meeting of the Members, a two-thirds (2/3) majority vote of the members present voted to amend and restate the Bylaws;

NOW THEREFORE, the following Amended and Restated By-Laws of TIKI ISLAND CIVIC ASSOCIATION does hereby completely replace any previously recorded By-Laws or amendments thereto.

ARTICLE I
Purpose

The corporation is a nonprofit organization for the purposes of promoting the civic and community welfare, of encouraging and enforcing the restrictive regulations and covenants of the Tiki Island Subdivision in Galveston County Texas, hereinafter referred to as “said Subdivision”, conducive to good planning and the sustaining of property values therein, of providing maintenance of said Subdivision using Subdivision as provided for in the various Reservations and Restrictions, of fostering and assisting in the general civic and social enterprises and activities which may be beneficial to its members, of creating a residential climate which enables the residents of Tiki Island Subdivision to live in a healthy and harmonious environment, and of interacting with the elected governmental officials of Galveston County and of the Village of Tiki Island and its successors.

ARTICLE II

Section 1. Offices. _____ The principal office of the corporation shall be located in the Village of Tiki Island, County of Galveston, State of Texas. The corporation may have such other offices within the State of Texas as the Board of Directors may determine.

Section 2. Registered Office. The corporation shall have and continuously maintain with the State of Texas, a registered office and the registered agent whose office is identical with said registered office as required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be; identical to the principal office of the corporation in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE III
Fiscal Year

The fiscal year of the corporation shall begin on July 1, and end on June 30.

ARTICLE IV
Membership

Section 1. Members. The members of the corporation shall be persons who are owners of lots in any section of said Subdivision from which lot maintenance charges are being **assessed** by the corporation. Members shall be determined by the documents recorded in the Official Public Records of Real Property of Galveston County, Texas.

Section 2. Voting. For each lot which is owned in any section of said Subdivision from which maintenance charges are being **assessed** by the corporation. Only one (1) vote may be cast; provided, however that in an election of a Director for a particular section as prescribed by Article IX hereof, each property owner is entitled to one vote per each lot owned in that particular section of said Subdivision. If a corporation owns any lot, its one vote may be cast by a duly authorized agent hereof. **If any lot is owned in any part by more than one person, all such persons shall be members of the corporation, and the vote of such lot shall be exercised as the persons among themselves determine, but in no event shall more than one vote be cast with respect to each lot, and the vote of any particular lot shall not be divided or “split” amongst the owners of said lot.**

Section 3. Ownership of partial lots. **Ownership of fractional portions of lots shall not entitle any owner to more than one (1) vote per contiguous residential tract owned. Members owning fractional portions of lots (for example 1 ½ lots) shall be entitled to only one (1) vote per contiguous tract owned.**

Section 4. **There shall be no proxy voting.**

ARTICLE V
Membership Meetings

Section 1. Annual Meeting. An annual meeting of the membership shall be held at the time and place designated in the notice thereof on the second Sunday in August of each year.

Section 2. Special Meetings. Special meetings of the membership may be called by the President upon the President’s initiative, upon written request made by any three Directors, or upon written request made by not less than fifteen (15) members of the corporation. When such written request shall be presented to the President, or, if the President is absent, to the Vice President, such officer shall immediately call such special meeting. Each special membership meeting shall be held at the time and place designated in the call. Notice of special membership meetings shall include the purpose for which the meetings is called and shall be given in the manner prescribed for the annual membership meeting in Article IX, Section 2 hereof.

Section 3. Periodic Meetings. Special meetings or events of the membership are desirable and shall be held from time to time as may be determined by the Board of Directors of the membership.

Section 4. Quorum.

- (a) Quorum in General. A quorum for any annual membership meeting shall be twenty-five (25) members. A quorum for any special membership meeting shall be twenty five (25) members. Both quorums are to include the Board of Directors.
- (b) Quorum for Board of Director Elections: If quorum is not present or represented, the meeting shall be adjourned without notice other than an announcement at the meeting, and immediately reconvened for the sole purpose of election of directors. At the reconvened meeting, quorum shall be all those members counted as present whether in person or by proxy, absentee ballot, electronic ballot, or any other method of representative or delegated voting. Directors shall be elected by a majority of those votes.

ARTICLE VI

Section 1. Positions. The officers of the corporation shall be a President, Vice President, and Secretary/Treasurer. Any person serving as an officer of this corporation will automatically become a full voting member of the Board of Directors of the corporation.

Section 2. Election. The officers of the corporation shall be elected at the annual membership meeting held in even-numbered years by a majority of those voting. Their term of office for each officer shall be for a period of two years and shall begin in and extend to an even-numbered year. No officer may serve in the same office for more than two consecutive terms.

Section 3. Removal. Any officer elected or appointed may be removed by the Board of Directors for just cause at any time. For the purpose of removal, just cause may include, but not be limited to, the absence of any officer from two consecutive regularly-scheduled meetings of the Board of Directors.

Section 4. Vacancy. A vacancy in the position of any officer due to death, resignation, disqualification, refusal or failure to serve, or removal by the Board of Directors may be filled by the Board of Directors by appointing a person eligible to serve as an officer for the unexpired portion of the term. Such vacancy shall be filled at the next regular or special meeting of the Board of Directors following the occurrence of such vacancy. Such vacancy may be filled **by a majority vote of those Directors in attendance at such meeting.**

ARTICLE VII
Duties of Officers

Section 1. President. The President shall be the principal executive of the corporation and shall in general supervise all of the business and affairs of the corporation. The President shall preside at all meetings of the membership and of the Board of Directors, decide all questions of procedure, preserve order, and enforce the Bylaws. The president shall appoint all committees of the corporation and shall serve **only** as an ex-officio member of all such committees. The President may sign, with the Secretary/Treasurer or Vice President, any deed, contract, or other instrument which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors, by these Bylaws, or by statute to the President, or to some

other officer or agent of the corporation. The President shall prepare an annual budget prior to the annual membership meeting. **Said budget shall be subject to review by the Board and, following the Board's approval, the President shall present such budget at the annual meeting.** The President shall prepare a written agenda for each membership meeting and Board of Directors' meeting; provided, however, that upon the request of any two members of the Board of Directors, an item shall be placed on the written agenda for each membership meeting and/or Board of Directors meetings, if such request is made at least **120** hours prior to said meeting. The President shall perform such other duties as are customarily and commonly performed by a corporate president and as may be prescribed by the Board of Directors from time to time.

Section 2. Vice President. The Vice President shall assist the President in the discharge of the duties of the corporation. In the absence of the President, the Vice President shall preside at all meetings of the membership and of the Board of Directors and shall perform all the duties of the President. Further, the Vice President shall perform any and all additional duties which may be delegated by the President or by the Board of Directors.

Section 3. Secretary/Treasurer. The Secretary/Treasurer shall keep a full and correct record of all proceedings of the corporation and of the Board of Directors and shall be the custodian of the corporate records. The Secretary/Treasurer shall also receive all communications, send correspondence, prepare and mail all reports and bulletins, direct the giving of all notices in accordance with the provisions of these Bylaws or as required by law, and keep a correct record of all of the foregoing. Further, the Secretary/Treasurer shall collect and receive all maintenance charges and other funds belonging to the corporation, giving receipt therefore, and shall deposit all such funds in the bank designated by the Board of Directors. The Secretary/Treasurer shall draw all checks on the corporation's funds so that each check shall be signed and countersigned by the President and by one of the other two officials of the corporation. The Secretary/Treasurer shall keep a full, true, and correct record of all funds and of all financial transactions of the corporation and shall render a complete report thereof, to the corporation at its annual membership meeting or whenever required to do so by the President or by the Board of Directors. The Secretary/Treasurer shall perform such other duties as are customarily and commonly performed by a corporate secretary and by a corporate treasurer and as may be prescribed by the Board of Directors from time to time. In the performance of the aforesaid duties the Secretary/Treasurer may be assisted by a person employed by the Board of Directors in the paid position of "Executive Secretary/Treasurer" **or in the alternative, by a professional management company, which person/company shall be responsible to and under the direction of the Board of Directors** but shall not be an officer or Director of the corporation.

ARTICLE VIII Board of Directors

Section 1. Directors. The Board of Directors shall consist of the three officers of the corporation and one Director representing each section of said Subdivision from which maintenance charges are being assessed by the corporation. Each officer of the corporation shall also occupy the same office on the Board of Directors. In the event a section of said Subdivision commences the payment of maintenance charges to the corporation, a Director to represent such section shall be elected at the annual membership meeting immediately following such payment. To be eligible to serve as a Director who represents a particular section of said Subdivision, a person must be an owner of a lot in that particular section.

Section 2. Election. For the purpose of the election of Directors, each section of said Subdivision shall be divided as platted and described in the Map Records of Galveston County, Texas and in the various Reservations and Restrictions of record in the office of the County Clerk of Galveston County, Texas. The term of office for each Director shall be two (2) years. Each Director elected from an odd-numbered section of said Subdivision shall be elected at the annual membership meeting held in odd-numbered years by a majority of those voting as provided in Article IX hereof and shall have a term beginning in and extending to an odd-numbered year. Each Director elected from an even-numbered section of said Subdivision shall be elected at the annual membership meeting held in even-numbered years by a majority of those voting as provided in Article IX hereof and shall have a term beginning in and extending to an even-numbered year.

Section 3. Removal. Any Director elected or appointed may be removed by the Board of Directors for just cause at any time. For the purpose of such removal, just cause may include, but not be limited to, the absence of any Director from two consecutive regularly-scheduled meetings of the Board of Directors.

Section 4. Vacancy. A vacancy in the position of a Director representing a particular section of said Subdivision because of death, resignation, disqualification, refusal or failure to serve, or removal by the Board of Directors may be filled by the Board of Directors by appointing a person eligible to serve as a Director of that section for the unexpired portion of the term. Such vacancy shall be filled at the next regular or special meeting of the Board of Directors following the occurrence of such vacancy. Such vacancy may be filled **by a majority of those Directors in attendance at such meeting.**

Section 5. Powers. The Board of Directors shall be the governing body of the corporation with full rights and authority to determine policy, outline, plan, manage, administer, and carry into execution all business, activities, and policies, to enter into and execute all necessary agreements and instruments incident thereto, in the name of the corporation, and shall constitute the representatives of the corporation. In addition to the foregoing powers, the Board of Directors shall be authorized to institute, as well as settle or compromise, in the name of the corporation, any necessary legal proceedings to carry into effect the purposes and policies of the corporation or to enforce, or prevent violations of the covenants or restrictions applicable to said Subdivision, and to employ legal counsel in connection with any of the foregoing.

Section 6. Indemnification. The corporation may indemnify a person who was, is, or is threatened to be made a named defendant or respondent in a legal proceeding or in any inquiry or investigation that could lead to a legal proceeding because the person is or was a director of the corporation, if it is determined that the person acted in good faith, reasonably believed that the conduct was in the corporation's best interest, and had no reasonable cause to believe the conduct was unlawful. Such a determination may be made (a) by a majority vote of a quorum consisting of directors who at the time of the vote are not named defendants or respondents in the proceeding; (b) if such a quorum cannot be obtained, by committee of the Board of Directors designated to act in the matter by a majority vote of all directors; (c) if such a quorum or committee cannot be obtained by special legal counsel selected by the Board of Directors; or (d) by the directors in a vote that excludes the vote of directors who are named defendants or respondents in the proceeding.

ARTICLE IX
Elections

Section 1. Nominating Committee. The three (3) officers of the corporation shall appoint a Nominating Committee consisting of five (5) members of the Association not less than sixty (60) days prior to the annual meeting of the Association each year. No elected officer or director of the Association, or spouse or domestic partner of an elected officer or director of the Association will serve on the Nominating Committee. Similarly, no elected official of the Village of Tiki Island or the Galveston County Fresh Water Supply District #6, or their spouse or domestic partner, will serve on the Nominating Committee. No paid employee of the Association, Village or Water District will serve on the Nominating Committee.

Section 2. Committee Procedure. The Nominating Committee will immediately post notice in at least two places on Tiki Island that nominations are open for positions to be elected. The period of office and each position will be listed in the notice and any deadlines pertaining to the Nominating Committee process will be noted. Instructions for filing an application for candidacy will be included. A roster of all members of the Nominating Committee also will be included in the notice. A similar notice will be submitted for publication in any and all newsletters that may be published at the time for the benefit of island residents.

The incumbents in all positions to be elected will be contacted by the committee to determine their interest in running for re-election. Other persons known to be interested in the activities of the Association also will be contacted to determine interest in running for election.

Any individual interested in becoming a candidate and running for election, will be required to complete any application and authorization form for use by the Nominating Committee. Forms will be available from committee members and from the Association office or management firm office. The form will include space for the name, address, section number and phone number of the applicant, as well as for the name of the office/position being sought. The form will require the applicant's signature attesting that he or she is an association member and is willing to serve if elected. Completed forms must be returned to the Association office or management firm office no less than 40 days prior to the annual meeting.

Immediately following the deadline for submission of election applications, the Nominating Committee will meet, compile election applications and prepare a slate that includes the names of all applicants and the positions for which they wish to be elected. Not less than 30 days prior to the annual meeting, the slate of candidates and all election application forms will be given to the Association President and Secretary/Treasurer who will cause a ballot to be created. The Nominating Committee will post the slate of candidates in two (2) public places on Tiki Island not less than 30 days prior to the annual meeting and election.

These procedures do not preclude nominations from the floor during the annual meeting for open positions where no candidate has been named.

Section 3. Ballot procedures. The Tiki Island Civic Association Official Ballot will be created when more than one candidate is running for any open position. When necessary, ballots will include the names of all candidates (officers and directors of even-numbered sections in even-numbered years and directors of odd-numbered sections in odd-numbered years). The candidates for each position will be listed in a single column and will be listed one below the other in alphabetical order. The ballot will also include the Number of Lots Voted in the upper left corner, the Section Number in the upper right corner, and the Code Status in the lower right corner.

An Election Committee made up of an officer, a director, a member of the management company, and one member of the Association from each section up for election will be appointed by the President. It is suggested that no spouse or domestic partner of an elected officer or director of the Association and no elected official of the Village of Tiki Island or the Fresh Water District #6 or his/her spouse or domestic partner will serve on the Election Committee. The Election Committee will prepare a list of eligible lots on Tiki Island. When required, numbered ballots, a ballot envelope, and a copy of the Association's Nominating Committee procedures will be mailed to Association members.

On Election Day, Association members may bring their numbered, signed ballot(s) and place them in the locked ballot box. If any attending Association member has lost the ballot, a new one will be provided. The member will mark and sign the ballot and place it in the locked ballot box. Only ballots mailed in by owners of Lots or voted in person by the owner will be counted.

During the annual meeting and election, ballots will not leave the assembly room at any time until counted, validated and the announcement of winners made. When directed by the President, the election Committee will open the locked ballot box in front of all attending Association members. The ballots will be opened and organized by section. Ballots will be compared to the list of property owners to assure that each lot has only one (1) vote. The votes will be counted. The Association officers will authenticate the count prior to the winners being announced. The results of each race will be announced to Association members. Unanimous races will be announced first. In races with more than one candidate, the winner will be announced and the number of votes for each candidate given. If there is a tie, a runoff will be conducted immediately between the two nominees who received the most votes.

The election completed, newly elected officers and/or directors will be introduced and their term of duty will begin.

ARTICLE X
Board of Directors' Meetings

Section 1. Regular Meetings. Six regular meetings of the Board of Directors of the corporation shall be held each year, at the time and place designated by the President.

Section 2. Special Meetings. Special meetings of the Board of Directors may be called by the President, or, in the President's absence, by the Vice President, or by any three directors. Each special meeting shall be held at the time and place designated in the call and notice thereof, which notice shall be given to the Directors not less than seventy-two (72) hours before the date of such meeting.

Section 3. Quorum. A majority of the members then constituting the Board of Directors of the corporation shall constitute a quorum for any meeting of the Board of Directors.

Section 4. Waiver of Notice. Notice of any regular or special meeting of the Board of Directors may be waived in a written instrument signed by each Director entitled to such notice; such waiver may be executed at any time. The attendance of a Director at a regular or special meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting or the express purpose of objecting to the transaction of any business or to notify the Board that the meeting is not properly called or convened in accordance with the terms of these bylaws.

Section 5. Actions without a Meeting. Notwithstanding, any other provision of these Bylaws, any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if consent in writing, setting forth the action so taken, is signed by all members of the Board of Directors. Such consent shall have the same force and effect as a unanimous vote at a Board of Directors meeting.

Section 6. Notice. Notice of any meeting of the Board of Directors, which notice shall include the agenda of the meeting, may be given by mail, by telephone, or in person, and shall be given not less than seventy-two (72) hours prior to such meeting. Such notice shall be given to the entire Board of Directors according to the records of the corporation. If mailed, such notice shall be deemed to be given when deposited in the United States mail, postage pre-paid. Such notice shall also be posted seventy-two (72) hours prior to such meeting at two locations in the Village of Tiki Island designated by the Board of Directors.

ARTICLE XI Committees

Section 1. Standing Committees. The President, as soon as possible after election to such office, shall recommend to the Board of Directors that specific standing committees be established and that particular members be appointed to each standing committee. **The establishment of each standing committee and the appointment of at least three (3) members of each of the standing committees shall be subject to approval by a majority vote of the Directors present at a meeting whereby such issue is on the agenda.** For just cause, any member of a standing committee may be removed by the Board of Directors at any time.

Section 2. Additional Committees. In addition to the standing committees, the President may appoint such other committees from time to time as may be deemed advisable or necessary, the number of members and duties of such committees being within the discretion of the President.

Section 3. Duties. The duties of all standing committees shall be such as are defined by the President.

**ARTICLE XII
Procedure**

Section 1. Rules. The Revised Edition of Roberts Rules of Order shall be authority for procedure in conducting all meetings of the corporation and its Board of Directors, when not in conflict with provisions of these Bylaws.

Section 2. Order of Business. The following shall be the order of business for all meetings:

- (1) Roll call of Officers and Directors at the Meeting of the Board of Directors
- (2) **Executive Session**
- (3) **Adjourn to Open Session**
- (4) **Recap of Executive Session**
- (5) Approval of Minutes of Preceding Meeting
- (6) Finance Report
- (7) Reports of Officers and Committees
- (8) **Unfinished Business**
- (9) New Business and Election of Officers and Directors
- (10) General Discussion for the Good and Welfare of said Subdivision
- (11) Citizens Comments

Section 3. Agenda. No action may be taken on any item of business at a membership meeting or board of directors' meeting unless that item of business appears on the written agenda of that meeting.

**ARTICLE XIII
Amendments**

These Bylaws may be revised, changed, or amended at any membership meeting, annual or special, by a two-third (2/3) majority vote of the members present, provided however, that a copy of the proposed revision, change or amendment, together with notification of the time and place of the meeting at which the same is to be considered, shall have been mailed to the members at the last known names and addresses of such members according to the records of the corporation, at least fourteen (14) days prior to such membership meeting.

**ARTICLE XIV
Miscellaneous**

Section 1. Conflict. In the case of any conflicts between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall control.

Section 2. Severability. The invalidity of any provision or provisions of these Bylaws shall not be deemed to impair or affect in any manner the validity or enforceability 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.

This is an unofficial copy for reference purposes only. The official document is on file at the Galveston County Court House, Galveston Texas.

CERTIFICATION

The undersigned represents a majority of a quorum of the Board of Directors of TIKI ISLAND CIVIC ASSOCIATION, a non-profit corporation, and we do hereby certify:

That the within and foregoing Amended and Restated Bylaws of TIKI ISLAND CIVIC ASSOCIATION were properly adopted as of the _____ day of _____, 2012, and that same do now constitute the complete restated Bylaws of said corporation.

IN WITNESS WHEREOF, the following, representing a majority of a quorum of the members of the Board of Directors of TIKI ISLAND CIVIC ASSOCIATION have executed this Amended and Restated Bylaws to be effective as of the _____ day of _____, 2012.

(Signature)

(Print Name)

(Title)

(Signature)

(Print Name)

(Title)

(Signature)

(Print Name)

(Title)