

BY-LAWS  
OF  
SIMMONS SHORES PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE I - OFFICES

1. REGISTERED OFFICE AND AGENT

The registered office of the corporation shall be maintained at P. O. Box 127, Pottsboro, in the State of Texas. The registered office or the registered agent, or both, may be changed by resolution of the board of directors, upon filing the statement required by law.

2. PRINCIPAL OFFICE

The principal office of the corporation shall be at Route 3, Box 252T, Pottsboro, Texas provided that the board of directors shall have power to change the location of the principal office in its discretion.

3. OTHER OFFICES

The corporation may also maintain other offices at such places within or without the State of Texas as the board of directors may from time to time appoint or as the business of the corporation may require.

## ARTICLE II - SHAREHOLDERS

### 1. PLACE OF MEETING

All meetings of shareholders, both regular and special, shall be held either at the registered office of the corporation in Texas or at such other places, either within or without the state, as shall be designated in the notice of the meeting.

### 2. ANNUAL MEETING

The annual meeting of shareholders for the election of directors and for the transaction of all other business which may come before the meeting shall be held on the second Sunday of May in each year at the hour specified in the notice of meeting.

If the election of directors shall not be held on the day above designated for the annual meeting, the board of directors shall cause the election to be held as soon thereafter as conveniently may be at a special meeting of the shareholders called for the purpose of holding such election.

The annual meeting of shareholders may be held for any other purpose in addition to the election of directors which may be specified in a notice of such meeting. The meeting may be called

by resolution of the board of directors or by a writing filed with the secretary signed either by a majority of the directors or by shareholders owning a majority in amount of the entire capital stock of the corporation issued and outstanding and entitled to vote at any such meeting.

### 3. NOTICE OF SHAREHOLDERS' MEETING

A written or printed notice stating the place, day and hour of the meeting, and in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the president, secretary or the officer or person calling the meeting, to each shareholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the shareholder at his address as it appears on the share transfer books of the corporation, with postage thereon prepaid.

### 4. VOTING OF SHARES

Each lot in Simmons Shores Addition shall be the equivalent of one share of corporate stock and a stock certificate shall be issued therefor.

Each outstanding share, regardless of class, shall be entitled to one vote on each matter submitted to a vote at a meeting of shareholders.

A shareholder may vote either in person or by proxy executed in writing by the shareholder or by his duly authorized attorney in-fact.

#### 5. VOTING BY SHAREHOLDERS

Except as otherwise provided by the articles of incorporation, all decisions regarding the corporation shall be decided by a majority vote of the shareholders present or by proxy and voting at any regularly scheduled or duly called special meeting.

### ARTICLE III - DIRECTORS

#### 1. BOARD OF DIRECTORS

The business and affairs of the corporation shall be managed by a board of directors. Directors need not be residents of the State of Texas.

#### 2. NUMBER OF DIRECTORS

The number of directors shall be five (5) provided that the number may be increased or decreased from time to time by an amendment to these by-laws, but no decrease shall have the effect of shortening the term of any incumbent director. At each annual election the shareholders shall elect directors to hold office until the next succeeding annual meeting.

#### 3. VACANCIES

Any vacancy occurring in the board of directors may be filled by the affirmative vote of the remaining directors, though less than a quorum of the board. A director elected to fill a

vacancy shall be elected for the unexpired term of the predecessor in office. Any directorship to be filled by reason of any increase in the number of directors shall be filled by election at an annual meeting or at a special meeting of shareholders called for that purpose.

#### 4. QUORUM OF DIRECTORS

A majority of the board of directors shall constitute a quorum for the transaction of business. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors.

#### 5. ANNUAL MEETING OF DIRECTORS

Within thirty days after each annual meeting of shareholders the board of directors elected at such meeting shall hold an annual meeting at which they shall elect officers and transact such other business as shall come before the meeting.

#### 6. REGULAR MEETING OF DIRECTORS

A regular meeting of the board of directors may be held at such time as shall be determined from time to time by resolution of the board of directors.

#### 7. SPECIAL MEETINGS OF DIRECTORS

The secretary shall call a special meeting of the board of directors whenever requested to do so by the president or by two directors. Such special meeting shall be held at the time specified in the notice of the meeting.

#### 8. PLACE OF DIRECTORS' MEETINGS

All meetings of the board of directors (annual, regular or special) shall be held either at the principal office of the corporation or at such other place, either within or without the State of Texas, as shall be specified in the notice of meeting.

#### 9. NOTICE OF DIRECTORS' MEETINGS

All meetings of the board of directors (annual, regular or special) shall be held upon five (5) days' written or oral notice stating the date, place and hour of meeting delivered to each director either personally or by mail or at the direction of the president or the secretary or the officer or person calling the meeting.

Neither the business to be transacted at, nor the purpose of, any annual, regular or special meeting of the board of directors need be specified in the notice of such meeting.

### ARTICLE IV - OFFICERS

#### 1. OFFICERS ELECTION

The officers of the corporation shall consist of a president, one or more vice-presidents, a secretary, and a treasurer. All such officers shall be elected at the annual meeting of the board of directors provided for in Article III,

Section 5. If any office is not filled at such annual meeting, it may be filled at any subsequent regular or special meeting of the board.

All officers and assistant officers shall be elected to serve until the next annual meeting of directors (following the next annual meeting of shareholders) or until their successors are elected; provided, that any officer or assistant officer elected or appointed by the board of directors may be removed with or without cause at any regular or special meeting of the board whenever in the judgment of the board of directors the best interests of the corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

## 2. VACANCIES

If any office becomes vacant for any reason, the vacancy may be filled by the board of directors.

## 3. POWER OF OFFICERS

Each officer shall have such powers and duties as are commonly incident to his office and such duties and powers as the board of directors shall from time to time designate. All officers shall perform their duties subject to the directors and under the supervision of the board of directors.

#### 4. PRESIDENT

The president shall be the chief executive officer of the corporation. He shall preside at all meetings of the directors and shareholders. He shall see that all orders and resolutions of the board are carried out, subject however, to the right of the directors to delegate specific powers, except such as may be by statute exclusively conferred on the president, to any other officers of the corporation.

He shall submit a report of the operations of the corporation for the year to the directors at their meeting next preceding the annual meeting of the shareholders and to the shareholders at their annual meeting.

#### 5. VICE-PRESIDENTS

The vice-president shall, in the absence or disability of the president, perform the duties and exercise the powers of the president, and they shall perform such other duties as the board of directors shall prescribe.

#### 6. THE SECRETARY AND ASSISTANT SECRETARIES

The secretary shall attend all meetings of the board and all meetings of the shareholders and shall record all votes and the minutes of all proceedings and shall perform like duties for the standing committees when required. He shall give or cause to be given notice of all meetings of the shareholders and



all meetings of the board of directors and shall perform such other duties as may be prescribed by the board. He shall keep in safe custody the seal of the corporation, and when authorized by the board, affix the same to any instrument requiring it, and when so affixed, it shall be attested by his signature or by the signature of an assistant secretary.

#### 7. THE TREASURER AND ASSISTANT TREASURERS

The treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the board of directors.

### ARTICLE V - CERTIFICATES OF STOCK: TRANSFER, ETC.

#### 1. CERTIFICATES OF STOCK

The certificates of shares of stock of the corporation shall be numbered and shall be entered in the corporation as they are issued. They shall exhibit the holder's name and number of shares and shall be signed by the president or a vice-president and the secretary and shall be sealed with the seal of the corporation or a facsimile thereof. One share shall be issued to the record owner of each lot in Simmons Shores Addition.

## 2. REGISTERED SHAREHOLDERS

The corporation shall be entitled to treat the holder of record of any share or shares of stock as the holder in fact thereof and, accordingly shall not be bound to recognize any equitable or other claim to or interest in such share on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by law.

## 3. LOST CERTIFICATE

The board of directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate to be lost.

# ARTICLE VI - MISCELLANEOUS

## 1. INFORMAL ACTION

Any action required to be taken or which may be taken at a meeting of the shareholders, directors or members of the executive committee, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the shareholders, directors, or members of the executive committee, as the case may be, entitled to vote with respect to

the subject matter thereof, and such consent shall have the same force and effect as a unanimous vote of the shareholders, directors, or members of the executive committee, as the case may be, at a meeting of said body.

## 2. SEAL

The corporate seal shall be circular in form and shall contain the name of the corporation, the year of its corporation and the words "TEXAS" and "CORPORATE SEAL" or an image of the Lone Star. The seal may be used by causing it or a facsimile to be impressed or affixed or in any other manner reproduced. The corporate seal may be altered by order of the board of directors at any time.

## 3. CHECKS

The President and one other Board designated person, who shall not be related to the President by blood or marriage, shall sign checks for the corporation.

## 4. FISCAL YEAR

The fiscal year of the corporation shall begin on the 1st day of January in each and every year.

## 5. DIRECTOR'S ANNUAL STATEMENT

The board of directors shall present at each annual meeting of shareholders a full and clear statement of the business and condition of the corporation.

6. AMENDMENTS

These by-laws may be altered, amended or repealed in whole or in part by the affirmative vote of the holders of a majority of the shares present or by proxy and voting at any regular or duly called special meeting.