

Section 2.17 - Sample Provision Excerpt (Public Preview)

PROXIES A Director may vote in person or by proxy executed in writing at an Annual Meeting or Annual Election Meeting only. No proxy shall be valid after eleven (11) months from the date of its execution. Each proxy shall be revocable by the Owner when the revocation is submitted in writing by the Owner or should the Owner appear in person at a meeting for which the proxy was assigned.

ISSUE #1



MARKUP #1 ->



MARKUP #1 · SUBJECTIVE OR OVERBROAD WORDING

BOARD & COUNSEL REVIEW

Sec. 2.17 (p. 8): Clause permits directors to vote or establish a board quorum by proxy at Board of Directors meetings without requiring express authorization in the Certificate of Formation under Tex. Bus. Orgs. Code § 22.214.

Statutory / Legal Reference: Tex. Bus. Orgs. Code § 22.213 - 22.214 & Tex. Prop. Code § 209.0051
Statutory Comparison: Under Texas Business Organizations Code § 22.213 (Quorum) and § 22.214 (Voting by Director), a director of a Texas nonprofit corporation may not vote by proxy or be counted toward a board quorum by proxy unless proxy voting by directors is expressly authorized in the Certificate of Formation (Articles of Incorporation) or compliant bylaws, and open board meeting deliberation requirements under Tex. Prop. Code § 209.0051 further restrict surrogate board voting.

CURRENT WORDING IN DOCUMENT:
PROXIES A Director may vote in person or by proxy executed in writing at an Annual Meeting or Annual Election Meeting only. No proxy shall be valid after eleven (11) months from the date of its execution. Each proxy shall be revocable by the Owner when the revocation is submitted in writing by the Owner or should the Owner appear in person at a meeting for which the proxy was assigned.

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):
PROXIES A Director may vote in person or by proxy executed in writing at an Annual Meeting or Annual Election Meeting only. No proxy shall be valid after eleven (11) months from the date of its execution. Each proxy shall be revocable by the Owner when the revocation is submitted in writing by the Owner or should the Owner appear in person at a meeting for which the proxy was assigned. [SAMPLE DISCUSSION WORDING - FOR TEXAS HOA COUNSEL REVIEW]: Pursuant to Tex. Bus. Orgs. Code §§ 22.213 - 22.214 and Tex. Prop.