

Section 2.17 - Sample Provision Excerpt (Public Preview)

PROXIES A Director may vote in person or by proxy executed in writing. No proxy shall be valid after chree months from the date of its execution. Each proxy shall be revocable unless expressly piovided therein 1o be irrevocable and otherwise irrevocable by law. ARTICLE THREE - MEMBERS AND MEMBERS' MEETINGS

ISSUE #1



MARKUP #1 ->



MARKUP #1 · SUBJECTIVE OR OVERBROAD WORDING

BOARD & COUNSEL REVIEW

Sec. 2.17 (p. 7): 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:

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SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

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[SAMPLE DISCUSSION WORDING - FOR TEXAS HOA COUNSEL REVIEW]: Pursuant to Tex. Bus. Orgs. Code §§ 22.213 - 22.214 and Tex. Prop.