

Section 1: [Bylaws Article III, Section 3.5 & Covenant Enforcement Policy] Violation Notices, Fines, and Suspension of

The Board of Directors shall have the power to impose monetary fines against an Owner for any violation of the Dedicatory Instruments by the Owner, the Owner's family, guests, or tenants, and to suspend an Owner's right to use the recreational facilities (including the Beach Club, pools, and tennis courts) during any period in which the Owner is delinquent in the payment of any assessment or in violation of any provision of the Dedicatory Instruments.

MARKUP #1 ->

ISSUE #1

Section 2: [Bylaws Article II, Section 2.6 & Section 2.7] Quorum, Proxies, and Voting Eligibility

At any meeting of the Members, the presence of Members or proxies entitled to cast ten percent (10%) of the total votes of the Membership shall constitute a quorum. Votes may be cast in person or by written proxy filed with the Secretary prior to the meeting. The Board may suspend the voting rights of any Member who is more than thirty (30) days delinquent in the payment of any assessment.

MARKUP #1 · CONFLICTS WITH MANDATORY STATE STATUTE

BOARD & COUNSEL REVIEW

Sec. 2 (p. 1): Covenant suspending owner voting rights for delinquency or covenant violations is void under the Texas Property Code.

Statutory / Legal Reference: **Tex. Prop. Code § 209.0059(a) & § 209.00592**

Statutory Comparison: Under Texas Property Code § 209.0059(a), a provision in a dedicatory instrument that would disqualify a property owner from voting in a property owners' association election of board members or on any matter concerning the rights or responsibilities of the owner is void.

CURRENT WORDING IN DOCUMENT:

[Bylaws Article II, Section 2.6 & Section 2.7] Quorum, Proxies, and Voting Eligibility At any meeting of the Members, the presence of Members or proxies entitled to cast ten percent (10%) of the total votes of the Membership shall constitute a quorum. Votes may be cast in person or by written proxy filed with the Secretary prior to the meeting. The Board may suspend the voting rights of any Member who is more than thirty (30) days delinquent in the payment of any assessment.

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Pursuant to **Tex. Prop. Code § 209.0059(a)**, no Owner may be disqualified from voting in an Association election or on any matter concerning the rights or responsibilities of the Owner for nonpayment of assessments or covenant violations.