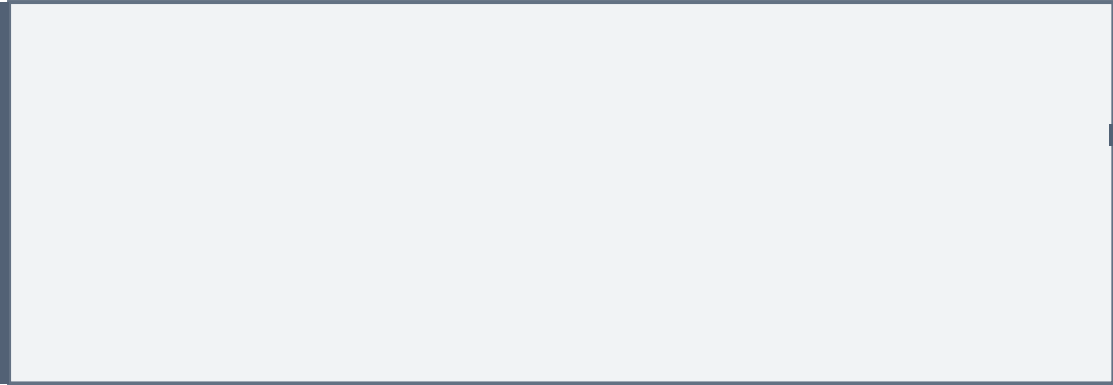


Section 4 - Sample Provision Excerpt (Public Preview)

(9) persons. The Board of Directors shall be initially composed o! niee (3) persons and such membership may be incre
b o these By-Laws on vote Of the membership or by vote of anednent of Directors.

ISSUE #1



MARKUP #1 ->



MARKUP #1 · SUBJECTIVE OR OVERBROAD WORDING

BOARD & COUNSEL REVIEW

Sec. 4 (p. 5): 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...

CURRENT WORDING IN DOCUMENT:
(9) persons. The Board of Directors shall be initially composed o! niee (3) persons and such membership may be increased b o these By-Laws on vote Of the membership or by vote of anednent of Directors.

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):
(9) persons. The Board of Directors shall be initially composed o! niee (3) persons and such membership may be increased b o these By-Laws on vote Of the membership or by vote of anednent of Directors. [SAMPLE DISCUSSION WORDING - FOR TEXAS HOA COUNSEL REVIEW]: Pursuant to Tex. Bus. Orgs. Code §§ 22.213 - 22.214 and Tex. Prop.