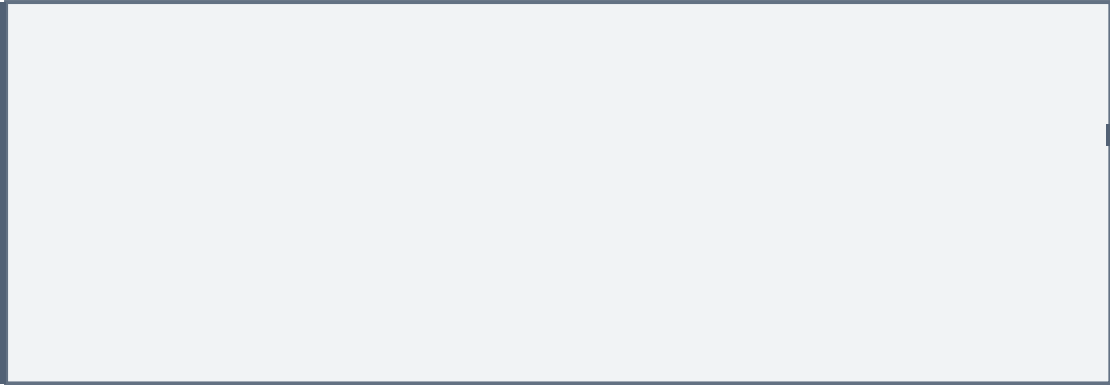




Section 6.16 - Sample Provision Excerpt (Public Preview)

P ROXIES . A Director may vote by proxy. All proxies must be in writing, must bear the signature of the Director giving proxy, and must bear the date on which the proxy was executed by the Director. No proxy is valid after three (3) months from the date of its execution.

ISSUE #1



MARKUP #1 ->

MARKUP #1 · SUBJECTIVE OR OVERBROAD WORDING

BOARD & COUNSEL REVIEW

Sec. 6.16 (p. 9): 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:
P ROXIES . A Director may vote by proxy. All proxies must be in writing, must bear the signature of the Director giving the proxy, and must bear the date on which the proxy was executed by the Director. No proxy is valid after three (3) months from the date of its execution.

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):
P ROXIES . A Director may vote by proxy. All proxies must be in writing, must bear the signature of the Director giving the proxy, and must bear the date on which the proxy was executed by the Director. No proxy is valid after three (3) months from the date of its execution. [SAMPLE DISCUSSION WORDING - FOR TEXAS HOA COUNSEL REVIEW]: Pursuant to Tex. Bus. Orgs. Code §§ 22.213 - 22.214 and Tex.