



PI2-20140150621-9

BYLAWS
OF
PALLATIUM VILLAS HOME OWNERS ASSOCIATION

SCANNED

ARTICLE I

Section 1. The principal office of the Pallatium Villas Homeowners Association shall be at 2723 Del Pilar Drive, San Antonio, Texas 78232. The Board of Directors may designate another location at its discretion.

ARTICLE II. Definitions

Section 1. "Association" shall mean and refer to the Pallatium Villas Home Owners Association, its successors and assigns.

Section 2. "Properties" shall mean and refer to the real property in Bexar County, Texas, constituting the Pallatium Villas subdivision, according to Plat thereof recorded in Volume 6932, Page 1687, et.seq in the Plat records of Bexar County, Texas, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean and refer to all real property owned by the Association for the common use and enjoyment of the Owners and described in the Declaration.

Section 4. "Lot" shall mean and refer to each of the individual tracts of land or resubdivision of same into which the Properties, excepting the Common Area, shall be divided for individual ownership as described in the Declaration.

Section 5. "Owner" shall mean and refer to the owner of record, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract seller, by excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Declaration" shall mean and refer to the most current Declaration applicable to the Properties recorded in the official Public Records of Real Property of Bexar County, Texas.

Section 7. "Member" shall mean and refer to those persons entitled to membership as provided by the Declaration.

ARTICLE III. Meetings

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association. Subsequent regular annual meeting of the Members shall be held on a date selected by the Board of Directors.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President, or a member of the Board of Directors, or upon written request of any of the Members.

Section 3. List of Members. At least 10 days before each meeting of the Members a complete list of the Members entitled to vote at said meeting, arranged in alphabetical order with the residence address of each and the number of voting shares held by each, shall be prepared by the office or agent having charge of the membership books. Such list, for a period of ten days prior to such meeting, shall be kept on file at the registered office of the Association and shall be subject to inspection by any Member at any time during normal business hours.

Section 4. Notice of Meetings of Members. Written notice of each meeting of the Members shall be given by or at the direction of the Secretary or person authorized to call the meeting by mailing a copy of such notice, postage prepaid, at least 10 days before such meeting to each member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association by such Member of the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. If requested, written notice of such meetings shall also be given to each individual holder of a first mortgage lien on any of the Lots constituting the Properties which is designated in the Association's list of mortgagees and such mortgagee shall be permitted to attend, or to designate a representative to attend, such meetings. In lieu of regular mail the Board of Directors may provide notification by email. It shall be the responsibility of Members requesting notification by email to keep the Association advised of their current email address. A notice shall also be placed in a conspicuous place at the mail boxes.

Section 5. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth of the votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such a quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time-to-time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 6. Proxies. At all meetings of Members each Member may vote in person or by proxy. All proxies shall be in writing, signed by the member granting the proxy, and filed with the Secretary or the Board of Directors prior to the meeting. Every proxy shall be revocable by the Member granting the proxy and shall automatically cease upon conveyance by the Member of his or her lot or eleven months from the date said proxy is executed.

ARTICLE IV. BOARD OF DIRECTORS

Section 1. Management. The business and affairs of the Association shall be managed by its Board of Directors who may exercise all such powers of the Association and do all such lawful acts and things as are not by statute or by the Articles of Incorporation or by these Bylaws directed or required to be exercised or done by the Members.

Section 2. Directors. The Board of Directors shall consist of three directors, all of whom must be Members.

Section 3. Term of Office. The normal term for a Director shall be three years. At the initial election of Directors or at subsequent elections when appropriate, Members may elect Directors for staggered terms of one, two, and three years to assure continuity of Association leadership.

Section 4. Removal. Any director may be removed from the board, with or without cause, by a majority vote of the Members at the annual meeting or at a special meeting. In the event of death, resignation, or removal of a director, a successor shall be selected by the remaining members of the board and shall serve the unexpired term of his or her predecessor.

Section 5. Compensation. No Director shall receive compensation for any service he or she may render to the Association. A Director may, however, be reimbursed for actual expenses incurred in the performance of Association duties if such reimbursement is approved by the Board.

Section 6. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. An action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V. NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting. The nominating committee shall consist of a chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The nominating committee shall be appointed by the Board of Directors prior to each annual meeting of the Members and serve from the close of such annual meeting until the close of the next annual meeting, and such nominating committee shall make as many nominations for election to the Board as it shall, in its discretion, deem appropriate, but not less than the number of vacancies that are to be filled.

Section 2. Election. Election to the Board of Directors shall be by written and signed ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are

entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Electronic ballots are permitted, and must be sent to the Secretary or Board of Directors prior to the meeting at which the election will be held. Cumulative voting is not permitted. Uncontested races do not require written and signed ballots.

Section 3. Expired Terms. Any vacancy on the Board caused by the expiration of a term shall be filled by election by Members of the Association.

ARTICLE VI. MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly at such time and hour as may be determined by the Board.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association or by any two directors.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly-held meeting at which a quorum is present shall be regarded as an act of the Board.

Section 4. Notice of Board Meetings. Notice of board meetings shall be announced to Members by mailing announcements to Members at least ten days prior to the meeting. In lieu of mailings Board meetings may be announced at least 72 hours prior to the meeting by posting a notice in a conspicuous location in the mailbox area or by emailing members. The announcement shall contain the place, date, and time of the meeting and a general description of matters to be discussed, including a general description of any matters to be discussed in executive session.

ARTICLE VII. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

- a. Adopt and publish rules and regulations governing the use of the Common Area and facilities and the personal conduct of the Members and their guests while using the Common Area and facilities and to establish penalties for the infraction thereof;
- b. Suspend the voting rights and right to use the Common Area and facilities of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty days, for infraction of published rules and regulations;
- c. Exercise for the Association all powers, duties, and authority vested in, or delegated to, the Association and not reserved for the Members by other provision of the Bylaws, the Articles of Incorporation, or the Declaration;

- d. Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three consecutive regular meetings of the Board of Directors; and
- e. Employ a manager, an independent contractor, or such other employees as it deems necessary, and to prescribe their duties; provided any management agreement shall be terminable, with or without cause, upon 30 days written notice and the term thereof shall not exceed one year. In the event the Board of Directors employs professional management of the Properties and thereafter elects to terminate professional management and assume self-management of the Properties, the vote of at least two-thirds of the Members shall concur in such decision.

Section 2. Duties. It shall be the duty of the Board of Directors to do the following or cause the following to be done:

- a. keep a complete and written record of all its acts and corporate affairs, including minutes of each board meeting, and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is required in writing by one-fourth of the Members who are entitled to vote;
- b. supervise all officers, agents, and employees of the Association and to see that their duties are properly performed;
- c. as more fully provided in the Declaration, to:
 - (1) fix the amount of the annual assessment against each Lot;
 - (2) send written notice of any change in assessment to every Owner subject thereof at least 60 days prior to the effective date of change;
 - (3) to take such action as is necessary to collect any assessment not paid within 30 days after due date;
- d. issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.
- e. procure and maintain liability and hazard insurance on the Properties as provided in the Declaration;
- f. procure and maintain liability insurance for directors and officers of the Association;
- g. prepare and file all reports as may be required by law;
- h. prepare an annual budget for the next fiscal year and a statement of income and expenditures for the present fiscal year. The annual budget and statement of income and expenditures shall be presented to the Members at the regular annual meeting or at a special meeting and a copy of each shall be provided to all present at such meeting. The annual budget shall be voted on by the Members present at the meeting ;
- i. prepare an annual tax return for the Association if required;
- j. cause an audit of the financial records to be conducted at the end of the Association's fiscal year. A copy of the annual audit report shall be made available to each Member and, by request, to each holder of a first mortgage lien against any of the Lots constituting the Properties with 90 days after the close of each fiscal year of the Association. The audit report may be delivered by mail, email, or be made available on a web site;

- k. at the end of each state legislative session appoint a committee to review changes to laws that affect homeowners associations and recommend changes to the Association's governing documents; and,
- l. cause the Common Area to be maintained as required by the Declaration.

ARTICLE VIII. OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of the Association shall be a President, a Vice President, a Secretary, a Treasurer, and such other officers as the Board may from time-to-time create by resolution. The president and vice president must be selected from the elected members of the Board of Directors.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. Each of the officers of the Association shall be elected annually by the Board and shall hold office for one year unless an officer shall sooner resign, or shall be removed, or be otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time-to-time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time, giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer replaced.

Section 7. Multiple Offices. At the discretion of the Board, Members, including those on the Board, may hold multiple offices.

Section 8. Duties. The duties of the officers are as follows:

- a. **President.** The president shall preside at all meetings of the Board of Directors; shall develop meeting agendas; shall see that orders and resolutions of the Board are carried out; and with the approval of the Board shall sign all leases, mortgages, easements, deeds, income tax returns, and other written instruments.

- b. Vice President. The vice president shall act in the place of the president in the event of the president's absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.
- c. Secretary. The secretary shall keep and maintain the official files of the Association. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members, serve notice of meetings of the Board and of the Members, keep current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board.
- d. Treasurer. The treasurer shall do or cause to be done by a person or persons designated by the Board of Directors the following: receive and deposit in appropriate bank accounts all monies of the Association and disburse funds; sign all checks and promissory notes of the Association; keep proper books of account; and cause an annual audit of the Association books to be made by an independent public accountant at the completion of each fiscal year.

ARTICLE IX. COMMITTEES

Section 1. Mandatory Committees. The Board of Directors of the Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these Bylaws.

Section 2. Other Committees. The Board may appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X. BOOKS AND RECORDS

Section 1. Access. The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member and the holders of first mortgage liens on any of the Lots at the registered office of the Association. The Declaration, the Articles of Incorporation, and the Bylaws of the Association shall also be available for inspection by any Member at the registered office of the Association.

Section 2. Retention. The retention policy for Association documents is:

- a. The Declaration of Easements, Restrictions, Covenants, and Conditions, the Articles of Incorporation, and the bylaws and all amendments to those documents shall be retained permanently.
- b. Financial books and records shall be retained for seven years.
- c. Account records of current owners shall be retained for five years.
- d. Contracts with a term of one year or more shall be retained for four years after the expiration of the contract term.
- e. Minutes of meetings of the Members and the Board shall be retained for seven years.

f. Tax returns and audits shall be retained for seven years.

Section 3. Request for Copies. Requests for copies must be submitted by certified mail to the registered address of the Association. The request must include sufficient detail describing the documents or information desired. The request must contain an election either to inspect the documents and records before obtaining copies or to have the Association forward copies of the desired documents and records. If an inspection is requested, the Association, within 10 business days after the date the Association receives the request for inspection, shall send written notice of dates during normal business hours that the documents are available for inspection.

Section 4. Cost of Copies. Paper copies of Association documents may be purchased for \$.10 per page plus the cost of administrative time to compile the documents. If the documents must be obtained from a management company engaged by the Association, the cost will be the normal cost charged by the management company for such documents. The Association will provide an estimate of the cost to compile and copy the documents. The Association may also request advance payment of the estimated cost.

ARTICLE XI. ASSESSMENTS

Section 1. As more fully provided in the Declaration each Owner is obligated to pay to the Association the annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. No Owner shall otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his or her Lot.

Section 2. Any assessments which are not paid when due are delinquent. If the assessment is not paid within 30 days after the due date, the Association may bring an action at law against the Owner personally obligated to pay the same or foreclosure of the lien against the property and interest of the responsible Owner, such action to also include costs and reasonable attorney's fees of any such action.

Section 3. Payment Schedule. An Owner may request a payment schedule to pay a regular or special assessment by contacting the Treasurer or Board of Directors. The Board is obligated to work with an Owner to develop a reasonable payment schedule.

ARTICLE XII. AMENDMENTS AND PRECEDENCE

Section 1. These Bylaws may be amended at a regular or special meeting of the Members by the affirmative vote of at least sixty-seven percent of the voting interest of the Members.

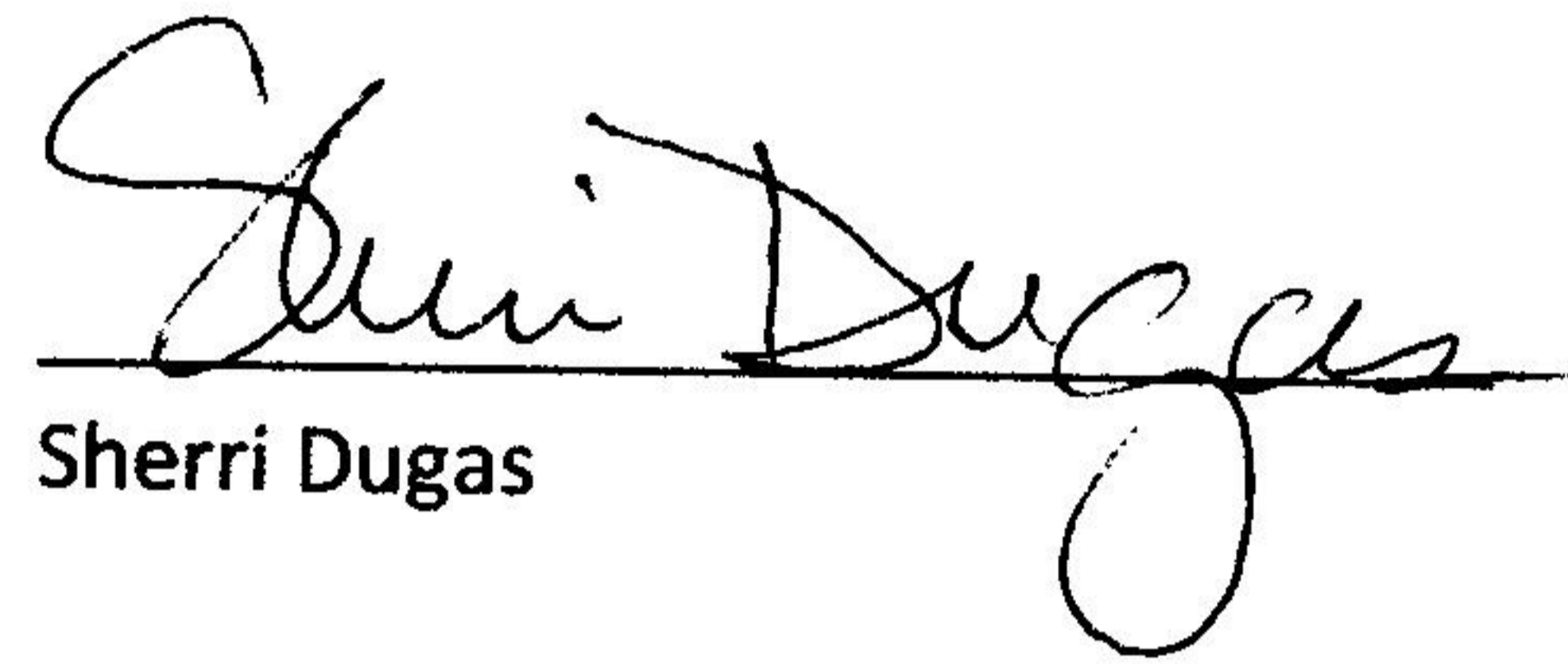
Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIII. FISCAL YEAR

Section 1. The fiscal year of the Association shall be from January 1st through December 31st. The fiscal year may be changed by resolution of the Board of Directors.

These Bylaws are approved by the Board of Directors of the Pallatium Villas Homeowners Association.

IN WITNESS WHEREOF, I, being the president of the board of directors of the Pallatium Villas Homeowners Association, Inc. have hereunto set my hand this 2nd day of Sept, 2014.


Sherri Dugas

NOTARY PUBLIC CERTIFICATION

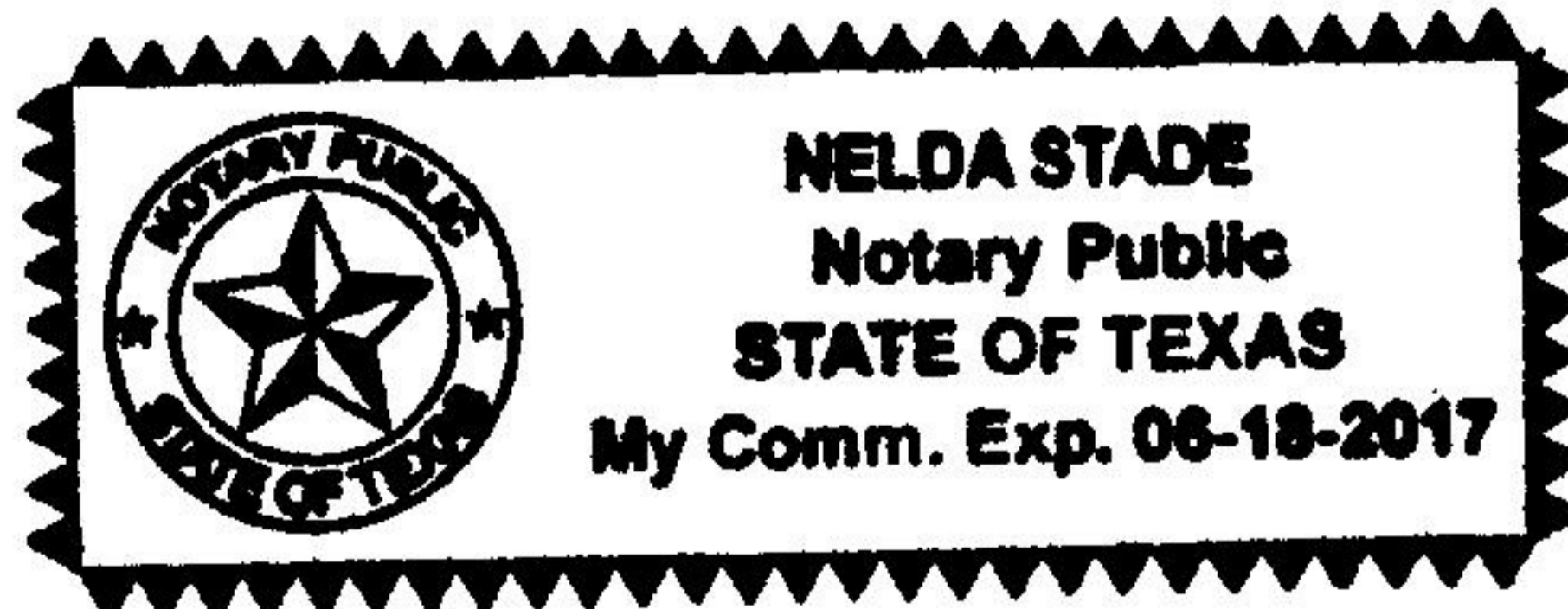
THE STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This instrument was subscribed, sworn to, and acknowledged before me on this 2 day of September, 2014.

Nelda Stade
Notary Public Signature

Any provision herein which restricts the sale, or use of the described real property because of race is invalid and unenforceable under Federal law STATE OF TEXAS, COUNTY OF BEXAR
I hereby Certify that this instrument was FILED in File Number Sequence on this date and at the time stamped hereon by me and was duly RECORDED in the Official Public Record of Real Property of Bexar County, Texas on:

SEP 02 2014



 Gerard Rickhoff
COUNTY CLERK BEXAR COUNTY, TEXAS

Doc# 20140150621 Fees: \$58.00
09/02/2014 3:40PM # Pages 9
Filed & Recorded in the Official
Public Records of BEXAR COUNTY
GERARD C. RICKHOFF COUNTY CLERK