

**CORRECTED**  
**REPLACEMENT DEDICATORY INSTRUMENTS**  
**for**  
**BAL HARBOUR SUBDIVISION AND**  
**BAL HARBOUR ASSOCIATION, INC.**

*(This document is intended to replace that certain instrument entitled "Replacement Dedicatory Instruments for Bal Harbour Subdivision and Bal Harbour Association, Inc., filed under Clerk's File No. 20100259680)*

WHEREAS, by that certain instrument entitled "COVENANTS AND RESTRICTIONS" filed of record in the Official Public Records of Real Property of Harris County, Texas, under County Clerk's File Number E685455, replaced and superceded by "Restated Covenants and Restrictions of Bal Harbour" recorded under Clerk's File No. F587686, and further replaced by Restated Covenants and Restrictions of Bal Harbour dated July 8<sup>th</sup>, 1986 and recorded under Clerk's File No. K6292777 (the "Restated Covenants"), every lot within Bal Harbour Cove subdivision, a Harris County subdivision according to the map or plat thereof, respectively filed in Volume 218, Page 65, of the Map Records of Harris County, Texas, (the "Subdivision") was made subject to the covenants, conditions and restrictions set forth in the Restated Covenants;

WHEREAS, the Restated Covenants were amended under Clerk's File Nos. G412975, N410601, R947422, S526558, and U795088;

WHEREAS, Dedicatory Instruments for the Bal Harbour Association were filed under Clerk's File No. U128984 and Film Code No. 528-65-2606 through 528-65-2642 and Clerk's File No. 20060238929 as required by Section 202.006 of the Texas Property Code;

WHEREAS, Article IV, Section 1.2 of the Restated Covenants provides that the Board of Directors has the right to promulgate rules and regulations covering the use of common property, and Article VIII, Section 3 of the Restated Covenants authorizes the Board of Directors of the Bal Harbour Association to control exterior changes to the townhomes;

WHEREAS, Section 204.010(a)(6) of the Texas Property Code empowers the Association, acting through its Board of Directors, to implement written architectural control guidelines; and

WHEREAS, the Board of Directors of the Association desires to: (i) establish and update rules governing certain uses involving Bal Harbour common property, (ii) promulgate and update rules and regulations and architectural guidelines related to the appearance, use and maintenance of the Subdivisions, and (iii) amend and establish procedures for the orderly review of construction plans, specifications and guidelines with respect to the design, color and location of improvements and any changes thereto so that a harmonious exterior design within Bal Harbour is consistently maintained.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Association hereby adopts and implements the following rules and regulations, procedures, and guidelines relating to all buildings, additions, improvements, and structures in the Bal Harbour and the overall appearance, use and maintenance of Bal Harbour Subdivision, which shall supplement the Restated Covenants, and replace all documents included in the previously recorded Dedicatory Instruments and additions thereto.

**I. ARTICLES OF INCORPORATION**

The Articles of Incorporation for Bal Harbour are attached as Exhibit A.

**II. BYLAWS**

The Bylaws of Bal Harbour Association are attached as Exhibit B.

**III. ARCHITECTURAL PROCEDURE AND GUIDELINES**

The Architectural Procedure and Guidelines for Bal Harbour are attached as Exhibit C.

**IV. RULES AND REGULATIONS FOR USE OF OPEN AREAS AND COMMON PROPERTY**

The Rules and Regulations for Use of Open Areas and Common Property are attached as Exhibit D.

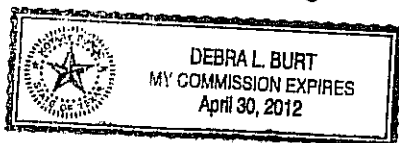
DATED this 21<sup>st</sup> day of July, 2010.

BAL HARBOUR ASSOCIATION, INC. *lor*

BY: *Robert K Scott*

ITS: *President*

SUBSCRIBED AND SWORN TO BEFORE ME by the said *Robert K Scott*, on this the *21<sup>st</sup>* day of *July* 2010.



*Debra L. Burt*

NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS

2010 JUL 22 PM 3:30  
COUNTY CLERK  
HARRIS COUNTY TEXAS

FILED

After recording return to:

DAUGHTRY & JORDAN, P.C.  
17044 ET Camino Real  
Houston, TX 77058

529-65-2608

In the presence of the  
Secretary of State of Texas

NOV 08 1974

Vicky Waller

Secretary of State - Incorporation Division

ARTICLES OF INCORPORATION  
OF  
THE BAL HARBOUR ASSOCIATION

We, the undersigned natural persons of the age of twenty-one years or more, at least two of whom are citizens of the State of Texas, acting as incorporators of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for such corporation:

Article 1. Name. The name of the corporation is The Bal Harbour Association.

Article 2. Non-Profit. The corporation is a non-profit corporation.

Article 3. Duration. The period of its duration is perpetual.

Article 4. Purposes. The purposes for which the corporation is organized are:

To promote the health, safety, and welfare of the residents within Bal Harbour Cove, in Harris County, Texas, according to the plat thereof recorded in Vol. 218, p. 65, Map Records of Harris County, Texas; and such additions thereto as may hereafter be brought within the jurisdiction of this corporation by annexation as provided in Article 10 herein, hereafter referred to as "The Properties," and for this purpose to:

- (a) own, acquire, build, operate, and maintain recreation parks, playgrounds, swimming pools, commons, streets, footways, including buildings, structures, personal properties incident thereto, hereinafter referred to as "the common properties and facilities;"
- (b) provide

"EXHIBIT (A)"

529-65-2609

exterior maintenance for the lots and homes within The Properties; (c) provide garbage and trash collection; (d) maintain unkempt lands or trees; (e) supplement municipal services; (f) fix assessments (or charges) to be levied against The Properties; (g) enforce any and all covenants, restrictions and agreements applicable to The Properties; (h) pay taxes, if any, on the common properties and facilities; and (i) insofar as permitted by law, to do any other thing that, in the opinion of the Board of Directors, will promote the common benefit and enjoyment of the residents of The Properties.

Article 5. Registered Agent. The street address of the initial registered office of the corporation is 123 Lakeside Lane, Houston, Texas 77058, and the name of its initial registered agent at such address is Maurice D. Knighton.

Article 6. Directors. The number of directors constituting the initial board of directors of the corporation is three, and the names and addresses of the persons who are to serve as the initial directors are:

<u>Name</u>	<u>Address</u>
Maurice D. Knighton	123 Lakeside Lane Houston, Texas 77058
John Wildenthal	1212 Main Street Houston, Texas 77002
William C. Herren	1212 Main Street Houston, Texas 77002

The foregoing members shall serve until June 1, 1975, whereupon the first annual meeting of members will be held. Three directors shall be elected to serve for one, two and three years, respectively. At each annual meeting thereafter, one director shall be elected for three years.

529-65-2610

All directors shall serve until their successors have been duly elected.

Article 7. Incorporators. The name and street address of each incorporator is:

<u>Name</u>	<u>Address</u>
Maurice D. Knighton	123 Lakeside Lane Houston, Texas 77058
John Wildenthal	1212 Main Street Houston, Texas 77002
William C. Herren	1212 Main Street Houston, Texas 77002

Article 8. Membership. Every person or entity who is a record owner of a fee, or undivided fee, or holds interest in any Lot or Living Unit which is subject by covenants of record to assessment by the Association, shall be a Member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a Member, nor shall anyone owning a Lot or Living Unit strictly for resale be a Member.

Article 9. Voting Rights. The Association shall have two (2) Classes of voting membership:

Class A. Class A Members shall be all those Owners as defined in Article 8 with the exception of the Developer. Class A Members shall be entitled to one (1) vote for each Lot or Living Unit in which they hold the interests required for membership by Article 8. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot or Living Unit shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such lot.

529-65-2611

Class B. Class B Member shall be the Developer. The Class B Member shall be entitled to four (4) votes for each Lot or Living Unit in which it holds the interest required for membership by Article 8 provided that the Class B membership shall cease and become converted to Class A membership on the happening of any of the following events, whichever occurs later:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(b) on July 1, 1978.

From and after the happening of these events, whichever occurs later, the Class B Member shall be deemed to be a Class A Member entitled to one (1) vote for each Lot or Living Unit in which it holds the interests for membership under Article 8.

Article 10. Additions of Properties and Membership. Additions to The Properties described in Article 4 may be made only in accordance with the provisions of the recorded covenants and restrictions applicable to said properties. Such additions, when properly made under the applicable covenants, shall extend the jurisdiction, functions, duties, and membership of this corporation to such properties.

Article 11. Mergers and Consolidations. Subject to the provisions of the recorded covenants and restrictions applicable to The Properties described in Article 4, and to the extent permitted by law, the corporation may participate in mergers and consolidations with other non-profit corporations organized for compatible purposes.

Article 12. Mortgages: Other Indebtedness. The corporation shall have the power to mortgage its properties only to the extent authorized under the recorded covenants and restrictions applicable to said properties.

588-85-2642

Article 13. Dedication of Properties or Transfer of Function to Public Agency or Utility. The corporation shall have power to dispose of its real properties only as authorized under the recorded covenants and restrictions applicable to said properties.

Article 14. Dissolution. The corporation may be dissolved only with the assent given in writing and signed by the Members entitled to cast two-thirds (2/3) of the votes of each class of its membership. Written notice of a proposal to dissolve, setting forth the reasons therefor and the disposition to be made of the assets (which shall be consonant with Article 16 hereof) shall be mailed to every Member at least ninety (90) days in advance of any such action taken.

Article 15. Disposition of Assets upon Dissolution. Upon dissolution of the corporation, the assets, both real and personal of the corporation, shall be dedicated to an appropriate public agency or utility to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the corporation. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the corporation. No such disposition of Association properties shall be effective to divest or diminish any right or title of any Member vested in him under the recorded covenants and deeds applicable to The Properties unless made in accordance with the provisions of such covenants and deeds.

Article 16. Amendments. These Articles may be amended in accordance with the law, provided that no amendment shall be effective to impair or dilute any rights of Members that are governed by the recorded covenants and restrictions applicable to The Properties.

529-65-2618

IN WITNESS WHEREOF, we have hereunto set our hands,  
this 16th day of August, 1974.

Maurice D. Knighton  
John Wildenthal  
William C. Herren

STATE OF TEXAS    X  
                          X  
COUNTY OF HARRIS X

I, Lois A. Cloud, a Notary Public,  
do hereby certify that on this 16th day of August,  
1974, personally appeared before me Maurice D. Knighton  
John Wildenthal and William C. Herren,  
who being by me first duly sworn, severally declared that  
they are the persons who signed the foregoing document as  
incorporators, and that the statements therein contained are  
true.

IN WITNESS WHEREOF, I have hereunto set my hand and  
seal the day and year above written.

Lois A. Cloud  
Notary Public in and for  
Harris County, Texas

My Commission Expires:  
6-1-75



THE BAL HARBOUR ASSOCIATION, INC.

BYLAWS

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## ARTICLE I GENERAL PROVISIONS, REFERENCES AND DEFINITIONS

Section 1. Reference is made for all purposes to the following:

1.1. The plats of the SUBDIVISION know as "Bal Harbour" which plats are recorded in the Map Records of Harris County, Texas.

1.2. "Covenants and Restrictions" for Bal Harbour dated May 1986, recorded in Harris County, TX (herein called the "RESTRICTIONS") as such RESTRICTIONS may be supplemented or amended.

Section 2. This corporation is the identical corporation (which is referred to as "The Bal Harbour Association") in the aforesaid recorded RESTRICTIONS of Bal Harbour. This corporation has all the rights, powers, privileges and authority vested in it under said RESTRICTIONS and shall carry out all the functions and responsibilities therein assigned and those which may hereafter be assigned to the ASSOCIATION.

Section 3. The following terms, when used in these Bylaws, shall have the same meanings given them in the RESTRICTIONS:

- ASSOCIATION
- COMMON PROPERTIES
- LOT
- LIVING UNIT
- OWNER
- MORTGAGE
- MEMBER
- DEVELOPER

The following terms, when used in these Bylaws shall have the meanings set forth below:

- SUBDIVISION shall mean the aforesaid Bal Harbour, as shown on the aforesaid plat (and including all sections or replattings thereof which may be hereafter platted and developed).
- ASSOCIATION MANAGER shall mean that person who the Board of Directors may, in its discretion, hire to carry on and manage the day to day operations of the ASSOCIATION. Such ASSOCIATION MANAGER may be given such authority as the Board believes to be in the best interest of the ASSOCIATION.

In General, all terms which are defined in the RESTRICTIONS shall, when used herein, have the same meaning as that set forth in the RESTRICTIONS unless such term is expressly defined differently herein.

Section 4.

In the event of any conflict or inconsistency between the provisions of these Bylaws and provisions of the RESTRICTIONS, the provisions of the RESTRICTIONS shall supersede, control and govern.

## ARTICLE II FUNCTIONS OF THE ASSOCIATION

Section 1. Purposes:

The purposes for which the ASSOCIATION is formed are to promote the recreation, health, safety and welfare of the residents in the SUBDIVISION, and for the improvement, operation and maintenance of the

COMMON PROPERTIES, services and facilities devoted to this purpose. The ASSOCIATION shall have all necessary powers to carry out its operations. Such powers shall include, but not be limited to the following.

1.1. The ASSOCIATION, for the benefit of OWNERS, may:

- acquire by gift, purchase or otherwise own, hold, enjoy, lease, transfer, mortgage, or otherwise dispose of real property including streets and COMMON PROPERTIES or personal property in connection with the business of the ASSOCIATION.
- endorse changes, restrictions, conditions and covenants existing upon and created for the benefit of said property over which the ASSOCIATION has jurisdiction;
- pay all expenses incidental thereto;
- enforce the decisions and rulings of the ASSOCIATION and/or the Board of Directors;
- pay all of the expenses in connection therewith;
- reimburse any declarant under any declaration of conditions, covenants, restrictions, assessments or charges affecting Bal Harbour, or any part thereof for all costs and expenses incurred or paid by it in connection with the enforcement of any of the conditions, covenants, restrictions, charges, assessments or terms set forth in any declaration.
- own, lease, provide, control, maintain and operate recreational facilities and private park areas.
- arrange for and provide refuse collection.
- construct and maintain rights-of-ways and easements.
- provide for the employment of Policemen and Watchmen.

1.2. The ASSOCIATION may do any other thing necessary or desirable in the opinion of the ASSOCIATION to keep the property, both private and common, in the SUBDIVISION in neat and good order, or which it considers of general benefit to the OWNERS or occupants of the LOTS, it being understood that the judgment of the ASSOCIATION in the expenditure of said funds shall be final and conclusive so long as judgment is exercised in good faith.

1.3. The ASSOCIATION shall:

- do all things necessary for the upkeep, repair and maintenance of all COMMON PROPERTIES and the replacement of improvements, fixtures and equipment.
- maintain the landscaping of the COMMON PROPERTIES to provide a uniform scheme of landscaping for the whole SUBDIVISION.
- pay ad valorem taxes and other assessments levied or imposed against the COMMON PROPERTIES.
- pay legal and other expenses incurred in connection with the enforcement of all recorded charges, covenants, restrictions and conditions affecting property to which MAINTENANCE FEE charges apply.
- pay all reasonable and necessary expenses in connection with the collection and administration of the MAINTENANCE FEE.
- do all things necessary to provide for the normal exterior maintenance of all residences, to the extent provided for by the RESTRICTIONS and may send invoices or take other necessary action to

collect the cost of such exterior maintenance from the OWNER of the LOT or LIVING UNIT for maintenance other than normal wear and tear.

- set and establish the amount of the MAINTENANCE FEE as provided in the RESTRICTIONS;
- shall hold and administer the MAINTENANCE FEES so collected (as defined in said RESTRICTIONS) and expend such MAINTENANCE FEES for the purposes contemplated by and in accordance with the terms and provisions of said RESTRICTIONS and these Bylaws;
- shall take such action as it deems appropriate, in its discretion, to enforce the collection of the MAINTENANCE FEE.

1.4. The ASSOCIATION may contract with other corporations to collect fees for use of recreational or social facilities of the ASSOCIATION as a source of income to the ASSOCIATION.

**Section 2. Area:**

The activities of the ASSOCIATION shall be limited to the area known as Bal Harbour, the aforesaid SUBDIVISION in Harris County, Texas, (and including all sections thereto which may hereafter be platted and developed); the activities of the ASSOCIATION shall also apply to such other areas as may hereafter voluntarily or through the operation of conditions, covenants, restrictions, submit to the jurisdiction of the ASSOCIATION and be accepted as within the jurisdiction of the ASSOCIATION as set in the RESTRICTIONS.

**ARTICLE III  
MEMBERS**

**Section 1. Annual Meeting:**

The Annual Meeting of the MEMBERS shall be held on the first Monday in May at 7:00 P.M. at the office of the ASSOCIATION in Bal Harbour, Nassau Bay, Texas. Notice of the ASSOCIATION and/or in a letter (specifically for such meeting notice) mailed to all MEMBERS. The notice shall also be posted on the public bulletin board (if any) located at the property of 123 Lakeside Lane, Nassau Bay, Texas. Such notice shall be published and posted not less than 30 days prior to the meeting date and shall include:

- the date of the meeting,
- the time of the meeting,
- the location of the meeting and
- the agenda for the meeting.

Special Meetings of the MEMBERS may be called by a majority action of the Board of Directors, or by a petition signed by not less than one third (1/3) of the MEMBERS eligible to vote. Notice of such Special Meeting must be as specified above.

At the Annual Meeting of the MEMBERS as well as any Special Meeting of the MEMBERS, only those items that are on the agenda can be acted on by the MEMBERS. Other items may be discussed at the option of the Chairperson, but MEMBERS shall not take action on any item not specifically on the published and posted agenda for said meeting.

**Section 2. Quorum:**

Except as provided in the RESTRICTIONS for specific items, any number of the MEMBERS eligible to vote, present in person or by proxy, shall constitute a quorum for all purposes at the Annual or any Special Meetings of the MEMBERS.

**Section 3. Organization:**

The President of the ASSOCIATION and in the event of his absence, the Vice President of the ASSOCIATION, shall call meetings of the MEMBERS to order and shall act as Chairperson of such meetings. In the absence of the President and the Vice President of the ASSOCIATION, the MEMBERS present may appoint a Chairperson. The Secretary of the ASSOCIATION or in his or her absence, an Assistant Secretary shall act as Secretary of all meetings of the MEMBERS, but in the absence of the Secretary and an Assistant Secretary, the Chairperson may appoint any person to act as Secretary of the meeting.

**Section 4. Qualifications:**

Those persons defined to be MEMBERS in the RESTRICTIONS shall be MEMBERS of the ASSOCIATION.

**Section 5. Voting:**

MEMBERS shall be entitled to one (1) vote for each LOT or LIVING UNIT in which they hold the interest required for MEMBERSHIP in the RESTRICTIONS. Such interest or interests in any LOT or LIVING UNIT shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such LOT or LIVING UNIT, and no fractional votes shall be permitted. In the event that such MEMBERS cannot determine how a vote is to be cast upon an issue then such LOT or LIVING UNIT shall not be entitled to vote on such issue. Each MEMBER may vote in person or by proxy appointed by instrument in writing and subscribed by the MEMBER or by the duly authorized attorney of such MEMBER. At all Annual or Special Meetings of MEMBERS all questions, except those the manner of which is otherwise expressly governed by statute, the RESTRICTIONS of the ASSOCIATION or by these Bylaws, shall be decided by the vote of a majority of the MEMBERS of the ASSOCIATION present in person or by proxy and entitled to vote. All voting shall be by voice vote, except that, upon the determination of the Chairperson of the meeting or upon demand of any MEMBER or his proxy, voting on any further questions at any meeting shall be by ballot.

## ARTICLE IV BOARD OF DIRECTORS

**Section 1. Organization:**

The business and property of the ASSOCIATION shall be managed and controlled by the Board of Directors and subject to the restrictions imposed by any law, by the RESTRICTIONS, or by these Bylaws. The Board of Directors shall exercise all the powers of the ASSOCIATION, all action taken by the Board, except as specifically specified elsewhere in the RESTRICTIONS or these Bylaws, shall require a majority vote of the board MEMBERS present, a quorum being present, for approval. The Board shall appoint committees as herein after provided to assist in the management of the various activities of the ASSOCIATION, but shall retain control of all operations. No ASSOCIATION funds may be spent without the approval of the Board of Directors. The Board may, if it is believed to be in best interest of the MEMBERSHIP, hire an ASSOCIATION MANAGER and others as required to oversee the day to day operations of the ASSOCIATION.

**Section 2. Number and Eligibility:**

The affairs of the ASSOCIATION shall be managed by a Board of nine (9) Directors. All Directors must be MEMBERS of the ASSOCIATION, must be the OWNER of record of a LOT or LIVING UNIT and must have been in residence in Bal Harbour a minimum of 12 months immediately prior to being elected to the Board of Directors.

**Section 3. Term of Office:**

The term of office for a Director shall be three years. At each annual meeting, the ASSOCIATION MEMBERS shall elect three (3) Directors to replace the Directors who have completed their three year term.

**Section 4. Vacancy:**

Any Director may be removed from the Board of Directors, with or without cause, by a majority vote of the MEMBERS of the ASSOCIATION. In the event of death, resignation or removal of a Director, his successor

shall be selected by the remaining members of the Board and shall serve in his or her predecessor's place until the next Annual Meeting. The above vacancy will then be filled, to complete the term of the original Director, by a vote of the MEMBERSHIP.

**Section 5. First Meeting:**

Each new Board of Directors shall hold its first regular meeting for the purpose of organization and transaction of business not later than the first Monday at 7:00 P.M. of the first month following the Annual Meeting of the ASSOCIATION. This first meeting will be called by the Chairperson or acting Chairperson of the Annual Meeting. Until such first meeting is called and the organization is established by the new Board of Directors the preceding Board of Directors and its officers shall remain in office. In the event a Special Meeting is required to conduct the affairs of the ASSOCIATION prior the new Board of Directors first meeting the preceding Board of Directors may call a Special Meeting in accordance with Section 8, Special Meetings. Newly elected Board members may attend such Special Meetings and they shall have full Board member privileges including the right to vote.

**Section 6. Election of Officers:**

At the First Meeting of the Board of Directors as set forth in Section 5, at which a quorum is present, the Board of Directors shall proceed to the election of a President, Vice President, Secretary and Treasurer from among the voting MEMBERS of the Board as their first order of business. The offices of President and Vice President shall be filled by members of the Board who have served on the Board for a least one (1) full year.

**Section 7. Regular Meetings:**

The Board of Directors shall meet regularly on the first Monday of each month at 7:00 P.M. A Regular Meeting may be rescheduled by a majority vote of those Board Members present by providing 14 days of advanced notice to the homeowners.

**Section 8. Special Meetings:**

Special Meetings of the Board of Directors shall be held whenever called by the joint act of any three of the Directors then in office. The Directors calling the Special Meeting shall notify the Secretary and the Secretary shall give notice of the Special Meeting by telegram, mail, telephone, or personal delivery to each Director at his residence or usual place of business at least two (2) days prior to the meeting. Only the business stated in the notice thereof may be transacted at a Special Meeting. The ASSOCIATION Manager shall notify the ASSOCIATION MEMBERS of the time, date, place and agenda of such Special Meeting. The minutes of all Special Meetings will be published to the MEMBERSHIP.

**Section 9. Agenda:**

At all meetings of the Board of Directors the agenda for said meeting shall be written and distributed to all homeowners at least three (3) days but not more than six (6) days prior to said meeting. At such meeting only those items that are on the agenda can be acted on. Other items may be discussed, at the option of the President (or Chairperson), but the Board shall not take action on any item not specifically on the agenda.

**Section 10. Quorum:**

The majority of the voting members of the Board of Directors then in office shall constitute a quorum for the transaction of business, but if at any meeting of the Board of Directors there be less than a quorum present, then the meeting shall be rescheduled within the following 14 days. The act of a majority of all of the Board of Directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board of Directors except as otherwise provided by law, the RESTRICTIONS of the ASSOCIATION, or by these Bylaws.

**Section 11. Order of Business:**

At meetings of the Board of Directors, business shall be transacted in such order as from time to time the Board of Directors may determine. At all meetings of the Board of Directors, the President shall preside, and in the absence of the President, the Vice President and in the absence of both, a Chairperson shall be chosen from the Directors present. The Secretary of the ASSOCIATION shall act as Secretary of all meetings of the Board of Directors, but in the absence of the Secretary, the presiding officer may appoint any person to act as Secretary of the meeting. At all meetings of the Board of Directors the MEMBERS of

the ASSOCIATION shall have a reasonable opportunity to be heard with regard to any matter under consideration.

**Section 12. Services:**

No Director or Officer of the ASSOCIATION shall be required to devote his time or render services exclusively to the ASSOCIATION. Each Director and Officer of the ASSOCIATION shall be free to engage in any and all other business and activities without liability to the ASSOCIATION. Likewise, each and every Director and Officer of the ASSOCIATION shall be entirely free to act for and serve any other corporation or corporations, entity or entities, in any capacity or capacities and become a trustee or officer of any other corporation or corporations, entity or entities, without breach of duty to the ASSOCIATION or its MEMBERS. No contract or other transaction of the ASSOCIATION shall ever be affected by the fact that any Director or Officer of the ASSOCIATION is interested in, or connected with any party to such contract or transaction, or is a party to such contract or transaction, provided that such contract or transaction shall be approved by a majority of the Board of Directors. No Director or Officer of the ASSOCIATION shall, however, directly contract with the ASSOCIATION for personal services.

## ARTICLE V OFFICERS OF THE ASSOCIATION

**Section 1. Titles and Terms of Office:**

The Officers of the ASSOCIATION shall be a President, a Vice President, a Secretary, a Treasurer, and such other Officers as the MEMBERSHIP or the Board of Directors may from time to time determine. One person may not hold more than one office except that the Secretary and Treasurer may be one person if the Board believes such arrangement to be in the best interest of the ASSOCIATION. All Officers shall be subject to removal with or without cause, at any time, by a vote of a majority of all the members of the Board of Directors. A vacancy occasioned by affirmative action of the Board shall be filled by a majority vote of all the members of the Board of Directors.

**Section 2. Powers and Duties of the President:**

The President shall be in general charge of the affairs of the ASSOCIATION in the ordinary conduct of its business and shall preside at all regular meetings of the Board of Directors. The President may enter into any contract or execute and deliver any instrument as is authorized and/or controlled by the Board of Directors and as provided in Article VII, Sections 1 through 4.

**Section 3. Vice President:**

It shall be the duty of the Vice President to assist the President, and in the President's absence, or upon his inability to act, the Vice President shall have and exercise the powers of the President.

**Section 4. Treasurer:**

If the duties of the Treasurer have not been delegated as set out below, then the Treasurer shall have the responsibility to manage all the funds and securities of the ASSOCIATION. When necessary or proper, he or she may;

- endorse, on behalf of the ASSOCIATION, for collection, checks, notes, and their obligations and shall deposit the same to the credit of the ASSOCIATION in such bank or banks or depositories as shall be designated and in the manner described by the Board of Directors;
- sign all receipts and vouchers for payments made to the ASSOCIATION, or jointly with such Officer as is designated by the Board of Directors.

Whenever required by the Board of Directors, he or she shall:

- render a statement of accounts;

- enter, or cause to be entered, regularly on the books of the ASSOCIATION, to be kept by him or her for that purpose, full and accurate accounts of all moneys received and paid out on account of the ASSOCIATION;
- at all reasonable times, exhibit the books and accounts to any MEMBER of the ASSOCIATION during business hours;
- perform all acts incident to the position of Treasurer, subject to the control of the Board of Directors;
- if required by the Board of Directors, give such bond for the faithful discharge of his or her duties in such form as the Board of Directors may require at the expense of the ASSOCIATION.

The Board of Directors may delegate the duties of the Treasurer of the ASSOCIATION to any competent person (including the ASSOCIATION MANAGER), bookkeeping firm, accounting firm or property management firm for such period and upon such terms as the Board of Directors may select.

**Section 5. Secretary:**  
The Secretary shall:

- keep the minutes of all meetings of the Board of Directors, and the minutes of all meetings of the MEMBERS, in books provided for that purpose;
- attend to the giving and serving of all notices;
- sign with the President or Vice President in the name of the ASSOCIATION all contracts, conveyances, transfers, assignments, authorizations and other instruments of the ASSOCIATION;
- have charge of and maintain and keep such books and papers as the Board of Directors may direct (all of which shall at all reasonable times be open to the inspection of any MEMBER, upon request at the office of the ASSOCIATION during business hours);
- in general perform all the duties incident to the office of Secretary, subject to the control of the Board of Directors.
- be responsible for publication of the minutes of all Board meetings and MEMBERSHIP meetings in the official publication of the ASSOCIATION.

If the Board of Directors has made the decision to hire an ASSOCIATION MANAGER, then the Secretary may allow such ASSOCIATION MANAGER to maintain the above described records and issue required notices.

**ARTICLE VI  
COMMITTEES**

**Section 1. Finance Committee:**

A Finance Committee, composed of the President, Vice President, Treasurer, who shall be Chairperson, Secretary and one Director, who shall be appointed by the Board of Directors, shall prepare the annual budget and recommend the necessary expenditures to the Board of Directors.

**Section 2. Audit Committee:**

An Audit Committee consisting of two members from the general MEMBERSHIP who are neither Officers nor Directors, shall be elected by the MEMBERSHIP to serve staggered two year terms. At each Annual Meeting one member shall be elected to serve a two year term. This committee shall be responsible to report to the Board of Directors and the general MEMBERSHIP at the next annual meeting, their review,



audit findings, and recommendations concerning financial matters of the ASSOCIATION. The committee shall have the power to employ a third party, independent accounting firm for the purpose of audit and review. The expense of such audit shall be an expense of the ASSOCIATION.

**Section 3. Architectural Control Committee:**

An Architectural Control Committee, composed of one Board member, who shall be Chairperson and two members from the general MEMBERSHIP shall be appointed by the Board of Directors to act in accordance with Article VIII, of the RESTRICTIONS.

**Section 4. House and Grounds Committee:**

A House and Grounds Committee, composed of one Director, who shall serve as Chairperson, and three members of the ASSOCIATION shall be appointed by the Board of Directors and shall make recommendations on the operations of the clubhouse, swimming pools and common properties not specifically assigned to another committee.

**Section 5. Tennis Committee:**

The Tennis Committee shall consist of five members. The Chairperson and two additional members shall be appointed by the Board of Directors from the MEMBERS of the ASSOCIATION. These three members shall then appoint two members from the Racket and Swim Club, at least one of which is not an ASSOCIATION MEMBER. The Tennis Committee shall make recommendations for the personnel, operations, and policies concerning the Tennis Pro Shop and Tennis Courts as well as policies concerning membership in the Racket and Swim Club.

**Section 6. Yacht Committee:**

The Yacht Committee shall consist of five (5) or more members of the ASSOCIATION, one (1) of which shall be appointed from the membership of the Board by the Board. Yacht Committee members shall elect from its membership at their first meeting the following officers who shall then preside for a one (1) year term: Commodore, Vice Commodore, Fleet Captain and Secretary-Treasurer. The Yacht Committee may then elect from the MEMBERSHIP of the ASSOCIATION at large the following additional officers who shall be members of the Yacht Committee with full voting rights: Fleet Chaplain and Fleet Surgeon for a two year term. The Commodore or his or her representative shall report the activities of the Yacht Committee to the Board of Directors and shall make recommendations for activities and improvements. The Yacht Committee shall make recommendations for activities and the expenditure of funds.

Bal Harbour Yacht Club: The Yacht Committee shall establish, maintain and operate an ongoing Bal Harbour Yacht Club using the facilities, to include Windemere and the Marina, of the ASSOCIATION for the MEMBERS of the ASSOCIATION and those individuals deemed eligible by the Board of Directors. The purpose of the Yacht Club as organized by the Yacht committee shall be to promote and conduct the organized social functions of the Yacht Club Membership.

Marina: The Yacht Committee shall recommend proper allocation and leasing policies for boat slips, operational activities of the Marina and other boat facilities of Bal Harbour. Particular attention shall be given to the safety and security aspects of those facilities.

Canals: The Yacht Committee shall establish and maintain proper marking and draft maintenance of canals giving access to Bal Harbour from the Clear Lake Channel.

**Section 7. Entertainment Committee:**

The Board of Directors may appoint an Entertainment Committee or Committees from time to time as in its discretion it believes to be in the best interest of the MEMBERSHIP. Such Entertainment Committee may act alone or may assist the Yacht Committee in the planning of social activities.

**Section 8. Emergency Preparedness & Security Committee:**

An Emergency Preparedness Committee composed of three or more MEMBERS of the ASSOCIATION shall be appointed by the Board of Directors, one of which shall be a Board member who shall act as Chairperson, and shall have the responsibility of developing and implementing emergency plans of action. These would include plans to remove or secure building materials and trash, secure boats and equipment, set up communications, approved shelter and food, provide for medical facilities and other such plans as

deemed necessary to cope with local emergencies; also to maintain coordination and communications with local community preparedness organizations.

**Section 9. Communications Committee:**

The Board of Directors may appoint a Communications Committee which shall consist of a Chairperson appointed by the Board, the ASSOCIATION MANAGER and one or more additional MEMBERS or the ASSOCIATION as appointed by the Chairman of the Communications Committee. The Committee shall assist the ASSOCIATION MANAGER in the publication of the official Bal Harbour Publication for the purpose of keeping MEMBERS of the ASSOCIATION advised of official notices and matters as required by the Bylaws and other items of interest to the residents of Bal Harbour. The Committee will also be responsible to the Board to insure that all new and existing residents, both OWNERS and Lessees, receive a copy of current Bylaws, RESTRICTIONS, and other information required to familiarize themselves with policies and regulations of the ASSOCIATION. Special effort will be made to meet all new residents of Bal Harbour by this Committee. If no specific committee is appointed then the ASSOCIATION MANAGER shall see that the above duties are carried out.

**Section 10. Special Committees:**

The Board of Directors may provide for other committees as it deems advisable. On appointment of a committee, the Board shall be responsible to define the Committees' function and specific duties.

**Section 11. Nominating Committee:**

Sixty (60) days prior to each Annual Meeting, the Board of Directors shall be required to appoint a Nominating Committee consisting of one Board member and two homeowners at large for the purpose of reviewing the qualifications of all MEMBERS applying for nomination to the ensuing Board of Directors, Audit Committee and Yacht Committee. The Nominating Committee shall be charged with the responsibility of finding a least enough, but not limited to enough, applicants to fill positions being vacated and all qualifying applicants shall be included in the Nominating Committee's report to be published in the notice of the Annual Meeting. The Nominating Committee's report shall also be available for review by the MEMBERS at the Annual Meeting. MEMBER applications to the Nominating Committee shall be submitted in writing to a Committee member or the ASSOCIATION MANAGER no later than thirty (30) days prior to the Annual Meeting.

## ARTICLE VII CONTRACTS, CHECKS, DRAFTS, BANK ACCOUNTS, ETC.

**Section 1.** The Board of Directors, except as these Bylaws otherwise provide, may authorize any officer or officers, agent or agents, in the name of and on behalf of the ASSOCIATION, to enter into any contract or execute and deliver any instrument, and such authority may be general or confined to specific instances; and, unless so authorized by the Board of Directors or expressly authorized by the Bylaws, no officer or agent or employee shall have any power or authority to bind the ASSOCIATION by any contract or engagement or to pledge its credit or to render it liable peculiarly for any purpose or to any amount.

**Section 2.** No loan shall be contracted on behalf of the ASSOCIATION, and no negotiable papers shall be issued in its name unless authorized by the vote of the Board of Directors.

**Section 3.** All checks, drafts and other orders for the payment of money out of the funds of the ASSOCIATION, and all notes or other evidence of indebtedness of the ASSOCIATION shall be signed by the ASSOCIATION MANAGER and counter signed by an Officer on behalf of the ASSOCIATION in such manner as shall be determined by resolution of the Board of Directors.

**Section 4.** All funds of the ASSOCIATION not otherwise employed shall be deposited from time to time to the credit of the ASSOCIATION in such banks or other depositories as the Board of Directors may select and for the purpose of such deposit the President, Vice President, Treasurer, Secretary or any other officer or agent or employee of the ASSOCIATION to whom such power may be delegated by the Board of

Directors, may endorse, assign and deliver checks, drafts and other orders for the payment of money which are payable to the order of the ASSOCIATION.

## ARTICLE VIII MISCELLANEOUS PROVISIONS

### Section 1. Offices:

The principal offices of the ASSOCIATION shall be at 123 Lakeside Lane, Houston, Texas 77058.

### Section 2. Fiscal Year:

The fiscal year of the ASSOCIATION shall end at midnight on October 31st of each calendar year.

### Section 3. Notice and Waiver of Notice:

Whenever any notice whatever is required to be given under the provisions of these Bylaws, said notice shall be sufficient if published in the official publication of The Bal Harbour ASSOCIATION and posted on the bulletin board so designated in the office of the ASSOCIATION or mailed, post paid, to the last known address of intended recipient.

### Section 4. Resignations:

Any Director or Officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein; or if no time be specified, at the time of its receipt by the President or Secretary. The acceptance of the resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

### Section 5. Rules of Order of Meetings:

All meetings of the Board and the MEMBERSHIP shall be conducted in accordance with the latest edition of "Robert's Rules of Order".

## ARTICLE IX INDEMNIFICATION

### Section 1. Liability of Directors and Officers in Certain Cases:

To the fullest extent permitted by law, each Director or Officer of the ASSOCIATION shall, in the performance of any duty imposed by or in the exercise of any power conferred upon him or her by the ASSOCIATION or by applicable law, be fully protected and excused from liability if, in the exercise of ordinary care, he or she acted in good faith, and in a manner he or she reasonably believed to be in, or not opposed to, the best interest of the ASSOCIATION. In case of a suit by or in the right of the ASSOCIATION against the Officer or Director, the ASSOCIATION shall indemnify such Director or Officer, including indemnification for expenses, attorney's fees and amounts paid in settlement, actually and reasonably incurred by such Officer or Director in connection with the defense or settlement of such suit. This indemnification shall be cumulative of, and not in lieu of, any other rights to which an Officer or Director may be entitled by law, agreement, vote of MEMBERS or disinterested Directors, or otherwise. This indemnification shall continue as to a person his heirs, executors and administrators. The ASSOCIATION shall purchase and maintain insurance on behalf of the Officers and Directors against any liability incurred by them in such positions or arising out of their status as such and such insurance may extend beyond the indemnification provisions hereof.

### Section 2. Ratification by MEMBERS or Directors of Certain Acts:

The Directors, in their discretion, may submit any contract, transaction or act for approval or ratification in any MEMBER'S meeting, and any contract, transaction or act of the ASSOCIATION or of the Board of Directors which is approved or ratified by vote of the majority of the MEMBERS present in person or by

proxy at a MEMBER'S meeting at which there is a quorum shall be valid and binding upon the ASSOCIATION and all MEMBERS thereof, as if it had been approved and ratified by every MEMBER; but the fact that any contract, transaction or act is not so submitted to the MEMBERS for ratification, or any failure of the MEMBERS to approve or ratify such contract, transaction or act, when submitted, shall not be deemed in any way to invalidate the same or to deprive the ASSOCIATION, its Directors or Officers of power and authority to proceed with the execution or performance of such contract, transaction or act.

## ARTICLE X AMENDMENT AND SUSPENSION

Section 1. These Bylaws may be supplemented, altered, amended, or repealed only by the affirmative vote of a majority of the MEMBERSHIP, present in person or proxy, at any Regular or Special Meeting.

Section 2. Any provisions of these Bylaws may be temporarily suspended, for whatever reason, by a vote of the majority of those MEMBERS present in person or proxy at any regular or special meeting or the MEMBERSHIP so long as the purpose and nature of the temporary suspension has been so indicated on the published and required agenda for said meeting.

Adopted by the Board of Directors May , 1986.

## ARCHITECTURAL GUIDELINES AND PROCEDURES

### I. OVERVIEW

The Board of Directors of the Association has established the following outline of architectural guidelines and rules and regulations in accordance with the authority granted to them by the provisions of the Restated Covenants and Restrictions for Bal Harbour Subdivision, as amended (the "Restated Covenants") and the Texas Property Code. The guidelines are established to assure a uniform and fair interpretation of the Restated Covenants and the power of the Association related to architectural control and regulation of the appearance of the Subdivision. The guidelines are intended to provide all lot owners in the Subdivision with information relating to (i) the design, color, location and grade of materials which may be used in the construction of various kinds of structures and improvements, (ii) the size and location of such improvements and structures and (iii) the procedure utilized by the Association with respect to applications for proposed improvements and structures and allocations thereto.

These procedures and guidelines may be amended by the Board of Directors of the Association from time to time as it deems necessary and appropriate.

### II. ARCHITECTURAL REVIEW PROCEDURES

- 2.01 Applications. In accord with Article VIII, Section 3 of the Restated Covenants, all applications for approval to make any exterior changes, additions or improvements must be submitted to the Board in writing by completing the application form currently in use by the Association. Clear, complete and final plans, drawings, and specifications for any exterior addition, change, alteration or improvement should be attached to the application. All owners are responsible for ascertaining whether or not a building permit from the City of Nassau Bay is required for the change and, if necessary, obtaining the permit. The Board of Directors reserves the right to see a copy of the permit prior to the beginning of construction, but the Association shall be in no way responsible for assuring that the new structure is built to comply with any guidelines or codes other than the Bal Harbour Subdivision Restated Covenants and these Architectural Guidelines. Any application for the addition of year-round heated or air conditioned floor space to a townhome must include an architectural blueprint of the intended improvement. All applications, additional information, or requests for appeal shall be mailed or delivered to the office of the Association.,
- 2.02 Additional Information. The Board reserves the right to request any additional information it deems necessary to properly evaluate any application. In the event that the Board requests additional information, the application shall be considered incomplete and denied until such information is submitted to the Board. The time allowance for approval shall not begin until such information is received. In the event that the Board requests additional information and the information is not received within thirty (30) days from the date of the request, the application shall

be considered denied; however, the applicant may thereafter submit a new application with the requested information to the Board for its review.

- 2.03 Board Decisions. The Board shall consider each application for compliance with the Restated Covenants and with these guidelines. The decision of a majority of Board members to approve or disapprove an application shall be considered the decision of the Board. Board decisions shall be conveyed in writing by the Board or the manager of the Association to the applicant and shall include a statement of the conditions under which the application is approved, if any, or the primary reason(s) for disapproving the application.
- 2.04 Automatic Approval. Subject to Section 2.02 above and as provided in Article VIII, Section 3 of the Declaration, any application that is not approved or disapproved within forty (40) days of the date of its receipt shall be deemed to have been automatically approved provided, however, that any such approval shall extend only to compliance with these architectural guidelines and in no event shall non-action be deemed to constitute approval of an application for any change, addition, or improvement or any other item that would violate any of the terms in the Restated Covenants.
- 2.05 Appeal Procedure. If an application is denied, the owner has the right to appeal the decision by requesting a hearing in person before the Board .
- 2.06 Construction. Construction must begin within ninety (90) days of the date of approval and be completed in a timely fashion. If the ninety day deadline is not met, a new application must be submitted for action by the Board.

### **III. GENERAL GUIDELINES**

- 3.01 Board Approval Guidelines. The Board shall consider the following factors upon the review of each application for an exterior addition, change, or alteration:
- a. conformity and harmony of external design and location in relation to surrounding structures and topography;
  - b. quality of workmanship materials;
  - c. dimension, shape, height, and location;
  - d. harmony and appeal of exterior design;
  - e. structural, mechanical, electrical, and plumbing details;

- f. nature, kind, type, and color of materials; and
  - g. such other factors as the Board may deem appropriate.
- 3.02 Maintenance of Modifications. All modifications and additions to existing buildings must be maintained at all times by the Owner of the Lot in a good, attractive and neat condition, as determined by the Board. As part of the approval process, all owners will be required to sign an agreement acknowledging the owners' responsibility to maintain any modifications and to make this transfer of responsibility known to any future owner.
- 3.03 No Warranty. The approval of an application shall not be construed as a warranty or representation by the Board that the change, addition or improvement, as proposed or as built, complies with any or all applicable statutes, ordinances or building codes, or as a warranty or representation by the Board of the fitness or adequacy of the design.

#### IV. SPECIFIC GUIDELINES

- 4.01 Paint Color.
- a. All external building walls and structural components shall be painted Bal Harbour gray. The information on this color and paint type is available in the Association office.
  - b. Horizontal deck surfaces and stair treads may be sealed with a clear, semi-transparent sealer or transparent stain. Information on approvable sealers and stains may be obtained in the Association office. No vertical surface such as deck sides and handrails may be stained, only painted with Bal Harbour gray.
- 4.02 Fences, Decks, and Privacy Walls
- a. As required by Article IV, Section 3 of the Restated Covenants, no application for a deck or fence extending more than five feet into the common area shall be approved.
  - b. Color, Height and Materials.
    - i) Wooden Fences. Only wooden fences are permitted, unless otherwise approved by the Board of Directors. No wooden fence may be painted, stained or varnished.

- ii) Chain Link and Wire Fences. Chain link and wire fences are not permitted.
- c. Maintenance of Fences. All fences shall be properly maintained by the Owner and portions replaced as originally constructed or approved to prevent fading, mildewing or disrepair.
- e. Deck Height. Current building codes require decks of a certain height to have hand rails. The Owner is responsible for ensuring that any deck is in compliance. This information may be obtained from the City of Nassau Bay.
- f. Divider and Privacy Walls. Privacy/ divider walls shall not be modified or extended on second and third level decks.

4.03 Exterior Doors and Windows

- a. Exterior doors shall be painted Bal Harbour gray or white depending on the color of original construction. The Board's determination as to whether Bal Harbour gray or white is to be used on any particular exterior door shall be final and conclusive.
- b. Subject to approval of the Board of Directors, front entry doors may have leaded glass inserts that are no less than one third (1/3) of the surface of the door. Applications for approval must include a picture of the proposed door. These doors may be sealed with a transparent stain. Because stain can degrade quickly when exposed to the elements, a stained door must be maintained by the homeowner in an attractive condition and refinished when deemed necessary by the Board.
- c. Change from a sliding glass door to French doors requires ACC approval. French doors must be painted white or Bal Harbour gray. The Board has sole discretion to determine whether white or Bal Harbour gray is to be used on any particular door, and its decision shall be final and conclusive.
- d. Replacement of any windows in the townhome requires approval. Window frame color must remain the same as the original windows. Front windows must contain the same number of lights as in the original. If an owner is replacing a sliding glass door, it shall be replaced by the same type and color as the original.
- e. Any solar film applied to windows must receive prior approval, must be made of nonreflective materials and must be maintained, replaced or removed as necessary.



- f. Storm doors must match existing frames. All permanently attached hurricane protection devices must be approved by the Board. All temporarily attached hurricane protection installations, including masking tape and duct tape, must be removed within fourteen (14) days of the passing of the storm.
  - g. Window air conditioners are not allowed in any windows. If approved by the Board of Directors, air conditioners that are not visible from any street or part of the properties may be placed in a wall.
- 4.04 Exterior Lighting. No exterior lighting shall be installed by a homeowner in such a way as to shine directly into a neighbor's window.
- 4.05 Satellite Dishes. Satellite dishes shall be attached to the least conspicuous site available. If damage results to a unit from the attachment of a satellite dish, the owner shall be responsible for all costs of repair.

**GUIDELINES AND RULES FOR  
USE OF OPEN AREAS AND COMMON PROPERTY**

**I. OVERVIEW**

Because there is extensive common property in Bal Harbour, which is owned and used by all homeowners in the subdivision, by authority granted by provisions in the Restated Covenants and the Texas Property Code, the Board of Directors of the Association has promulgated rules and guidelines for the use of property including open areas, the Windemere Clubhouse, the marina and other boat slips, the swimming pools, and the tennis courts. Because this is a high density subdivision, there is also a need for rules regarding the usage of the individual properties where such usage will impact other Owners. These rules and regulations may be amended and revised by the Board of Directors from time to time as it deems necessary.

**II. GENERAL RULES REGARDING OPEN AREAS**

2.01 *Parking*

a. As required by Article XIV of the Restated Covenants, as amended, only passenger automobiles, passenger vans, motorcycles, pick-up trucks, or pick up trucks with attached-bed campers, that are in operating condition, have current license plates and inspection stickers, and are in use as motor vehicles may be parked or stored on a driveway or cul-de-sac in the subdivision. The Covenant specifically prohibits motor homes and recreational vehicles. Non-operable vehicles, trailers, boats, marine crafts, hovercrafts, aircrafts, and machinery or equipment of any kind may not be parked or stored in public view. Such objects must be stored or parked inside a garage. Unless it is blocking access, a boat or recreational vehicle may be parked a maximum of two nights only for loading or unloading and cleaning.

b. No vehicle may be parked in the entrance of any of the two lane cul-de-sac driveways from the street to the circle. Every owner or resident must park in his driveway in front of his townhome. There is to be no parallel parking on the common driveways. In the circle areas of the cul-de-sacs, no vehicle shall be parked so as to block any part of the entrance to another owner's driveway or garage.

c. If any car or vehicle is parked on common property in violation of 2.01(b), after proper notification as required by the laws of Texas, the Board of Directors will make a determination whether or not to tow a particular vehicle. The City of Nassau Bay is responsible for addressing any vehicle illegally parked on a public street.

2.02 *Appearance of Townhomes*

a. Garbage cans and sacks must be kept in the garage except on the day of pickup.

b. Owners shall keep their townhomes in a neat, attractive, and uncluttered manner.

"EXHIBIT (O)"

2.03 Storage of Personal Property

No personal property shall be stored on common property in public view without permission of the Board of Directors.

2.04 Basketball Goals

Basketball goals of a permanent nature shall not be installed within Bal Harbour. Portable units may be out only when in use. They may only be used between the hours of 9:00 a.m. and dark.

2.05 Landscaping

Plants in existing flower beds may be changed or replaced without approval of the Board of Directors as long as the design and plants are similar to what was there before. Installation of new beds and plantings on common property shall require application to and approval by the Board. Any landscaping in a new bed or planting on common property such as a tree installed by a homeowner must be maintained by that homeowner and subsequent purchasers of the property.

2.06 Signs

Only one for sale or for lease sign is allowed per home unless the property is on the water in which case the owner may also place a sign in the rear. No sign shall be larger than 32 inches by 24 inches. All real estate signs must be professionally lettered, including for sale by owner signs.

2.07 Pets

a. Each dog owner shall be responsible for picking up and properly disposing of the dog's waste. No waste shall be thrown into the lake.

b. All dogs shall be on a leash at all times.

### III. SWIMMING POOL

3.01 Swimming pool hours will be posted on a sign outside the entry gate. The pool will be closed at certain times because of the necessity for cleaning. Entry code for the gate may be obtained at the Association office or the Tennis Pro Shop during business hours. On weekdays, everyone must sign in at the pro shop before entering the pool area.

3.02 All persons under the age of fifteen (15) must be accompanied by a parent or grandparent or by a responsible adult designated by the parent in writing to the Association manager.

3.03 Arrangements for individual or group swimming lessons must be approved by the Association manager.

3.04 Proper swimming attire is required at all times. As required by the Health Code, children in diapers must wear swim diapers or waterproof pants in the pool.

3.04 No glass containers of any type are allowed in the pool enclosure at any time. There will be no smoking in the pool area. No cooking or preparing food is allowed inside or outside the fenced area of the pool.

3.05 No pets or animals are allowed in the pool enclosure at any time.

3.06 It is the responsibility of each person to clean up any trash prior to exiting the pool area.

3.07 Running in the pool area is not be allowed. Horseplay that endangers oneself or others is not allowed. Indulging in behavior that continually annoys other trying to use the pool area is not allowed. Anyone violating these rules may be asked to leave the pool area by the Association manager.

3.08 The Association Manager may restrict the use of large floats during crowded times.

3.09 Radios or other electronic devices may not be used in the pool area except with headphones.

3.10 Neither the large nor the small pool can be exclusively reserved for parties. Prior approval is required for all pool parties.

3.11 **There are no lifeguards at the pools and Bal Harbour Association assumes no liability for those using the pools. Pool users swim at their own risk.**

3.12 The Association Manager has full discretion in enforcing the pool rules.

#### **IV. WINDEMERE CLUBHOUSE**

4.01 Both homeowners and the general public may reserve the Windemere Clubhouse at the discretion of the Association Manager and the Board of Directors. The general public will be subject to a rental fee and security deposit in an amount to be set from time to time by the Board of Directors. Homeowners will be subject to the same requirement but in lesser amounts.

4.02 Homeowners shall not reserve the Clubhouse for another person's use at the homeowner rate.

4.03 All renters, including homeowners, shall sign a rental agreement that includes a copy of specific Clubhouse use rules and regulations. Any violation of the terms of the rental agreement shall be deemed to also be a violation of these Guidelines and Rules. The Board shall have the

authority to amend the rental agreement at any time, or to tailor the terms of the rental agreement for a specific renter or purpose.

### V. TENNIS COURTS

5.01 All homeowners are eligible to use the Bal Harbour tennis courts. Time and availability of use is regulated by the Board of Directors and the Tennis Pro. Hours and availability of use can be obtained at the Pro Shop. Subject to rules promulgated by the Board, the Tennis Pro will set up league play, tournaments, and tennis lessons.

5.02 Courts must be reserved by telephone or in person at the Pro Shop on a first come, first serve basis no more than two days in advance. A court may be reserved by the Owner for any member of the Owner's family. An Owner cannot reserve a court for use by others. If a court is not otherwise being used, it will be available on a first come, first serve basis but with a time limit. When a reservation time has elapsed, the court must be immediately relinquished.

5.03 Rules of customary standards of tennis etiquette and behavior shall be observed by all players and guests. Only regulation (flat sole) tennis shoes will be worn by players on the tennis courts. All players will wear shirts at all times and are requested to wear appropriate tennis clothing. No cutoffs are allowed.

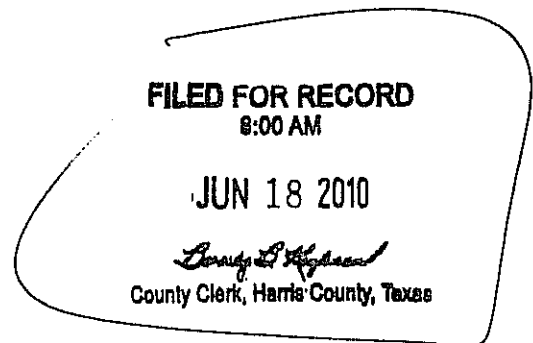
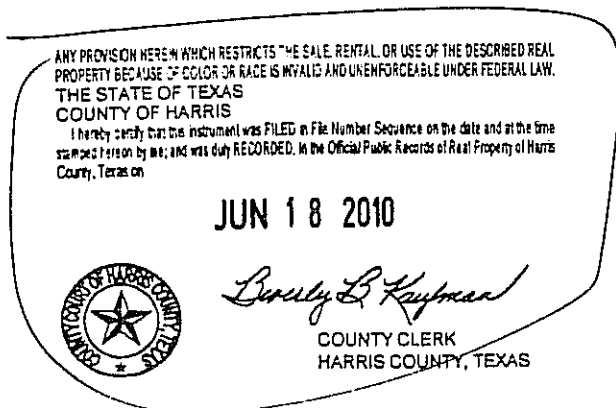
5.04 Glass containers are not allowed on the courts.

### VI. MARINA AND CANAL SLIPS

6.01 As provided in Article XIII of the Restated Covenants, the Board of Directors shall have the right to establish rules and regulations relating to the boat slips in the canals and Bal Harbour marina. These rules are appended to the Boat Slip License Agreement which shall be agreed to and signed by each Owner keeping a boat in a slip in Bal Harbour subdivision.

6.02 There shall be no swimming or diving in the canals in Bal Harbour subdivision.

6.03 No floating jet ski or boat lifts shall be allowed in the canals or the marina.



RECORDER'S MEMORANDUM:  
At the time of recording this instrument was found to be inadequate for recording. Photographic reproductions of the instrument, including carbon or photo copy, discolored pages, faded blackouts, additions and changes were present at the time the instrument was filed and recorded.

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.  
THE STATE OF TEXAS  
COUNTY OF HARRIS

I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me; and was duly RECORDED in the Official Public Records of Real Property of Harris County, Texas on

JUL 22 2010



*Dorely B. Kaufman*

COUNTY CLERK  
HARRIS COUNTY, TEXAS