

Aladdin Villas Property Owners Association, Incorporated

A 55 AND OVER ADULT RETIREMENT COMMUNITY

CORPORATION BYLAWS

AS REVISED THROUGH FEBRUARY 1, 2018

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Articles I through XVII have been updated in accordance with Texas State Laws; and adopted by the Aladdin Villas Corporate Board on May 7, 2013.

PREAMBLE

Confirming the original policy and intent of the developers of Aladdin Villas subdivision that Aladdin Villas Subdivision is a Senior Citizen Retirement community, the members of Aladdin Villas Property Owners Association, Inc., agree, authorize and direct that all necessary steps, of whatever nature, shall be taken by members of the Corporation and the Board of Directors of the above named Corporation to establish and permanently maintain Aladdin Villas Subdivision as a 55 or Over Housing Community, as defined in Section 100.304 of the Fair Housing Amendments Act of September 13, 1988, which amends the Civil Rights Act of 1968, and as published in the Federal Register, Vol. 54, No. 13, dated January 23, 1989; and by taking this action, provide an affirmative defense against discrimination suits due to enforcement of the 55 or Over Housing provisions in Aladdin Villas Subdivision by the Board of Directors or members of Aladdin Villas Property Owners Association, Inc., their heirs or assigns.

Members of Aladdin Villas Property Owners Association, Inc. wish to acknowledge actions of HUD to further refine the Fair Housing Act as it applies to 55 and over housing. Said actions are contained in Amended Section 807 (b) of the Fair Housing Act (42U.S.C.3607) as amended by the Housing for Older Persons Act of 1995. It is the intent of these members to follow the directions of said amendment to maintain Aladdin Villas Subdivision as a 55 or Over Housing Community.

Aladdin Villas attempts to keep regulations consistent with current Texas Law, but should Texas law be in conflict with Aladdin Villas regulations, Texas law takes precedence.

ARTICLE I - OFFICES

1.1 PRINCIPAL OFFICE

The principal office of the Corporation in the State of Texas shall be located in Aladdin Villas, City of Mission, County of Hidalgo.

1.2 REGISTERED OFFICE AND REGISTERED AGENT

The Corporation shall have and continuously maintain a registered office and registered agent whose office is identical with such office. The registered office and registered agent may be changed from time to time by the Board of Directors.

ARTICLE II - DEFINITIONS

2.1 DEFINITIONS

For the purpose of these bylaws, the following definitions and meanings shall apply:

ALADDIN VILLAS SUB-DIVISION

A restricted, adult only retirement community.

ADULT

An individual person over eighteen (18) years of age.

ANCILLARY BUILDING

Any Auxiliary building, not part of the original construction of the dwelling.

ANNUAL MAINTENANCE FEE

The charge billed to each owner as their pro-rata share of common area operating costs for each lot or portion of lot owned.

(Example: 1 lot = 1 fee; 2 lots = 2 fees; 3 lots = 3 fees; 1 1/2 lots = 1 1/2 fees, etc.)

ANNUAL WASTE REMOVAL FEE

The fee charged to each owner of a lot with a dwelling, for the owner's pro-rata share of waste removal costs.

ARTICLES OF INCORPORATION

The document containing preliminary information about the Corporation, submitted to the Secretary of the State of Texas, requesting that a Corporation be chartered and created.

BOARD OF DIRECTORS OR BOARD

The individuals elected by the members to manage the business and affairs of the Corporation.

CERTIFICATE OF INCORPORATION

The document issued by the Secretary of the State of Texas indicating that the conditions required for the formation of a non-profit Corporation have been met and the corporation is now in existence.

CHILD

An individual less than 18 years of age.

COMMON AREA

All of the land, buildings, structures and improvements in Aladdin Villas not privately owned, or that have not been dedicated as public streets or utilities. Included in the common areas are the improvements and equipment for all the above buildings and areas.

CORPORATION

The Aladdin Villas Property Owners Association, Incorporated, a Texas non-profit Corporation.

CORPORATION BYLAWS

The basic rules for governing the Corporation, adopted by Corporation members.

DEED RESTRICTIONS

The Ownership Plan and Deed Restrictions filed by the owner-developer of Aladdin Villas, stating the conditions, restrictions, covenants and reservations imposed upon each purchaser of a lot in Aladdin Villas, and which were accepted by each purchaser of a lot in Aladdin Villas including any necessary revisions.

GUESTS AND HOUSE GUESTS

One or more individuals who enjoy hospitality of a member's home overnight or longer.

GARAGE, PORCH OR YARD SALES

Public sale of merchandise, new or used, offered to the public from any privately owned residence or building in Aladdin Villas.

LOT

Lot shall mean and refer to any numbered lot or plot of land shown in the original subdivision map or plat of the properties as reflected in the Ownership Plan of Aladdin Villas Subdivision, with the exception of the Common Area. (This document is commonly referred to as "Aladdin Villas Ownership Plan and Deed Restrictions".)

OWNER

The record owner, whether one or more persons or entities, of fee simple title to any lot in Aladdin Villas.

PARLIAMENTARIAN

An individual appointed by the chairman to provide ready information and advice on parliamentary procedure and rules of order.

PROXY

Authorization in writing, given by a member to another member, designated on proxy form, to vote and act in the absent member's place at annual, monthly, and special meetings.

QUALIFIED VOTER

The individual entitled to vote at regular and annual meetings of the Corporation by reason of membership in the Corporation. The same shall apply to special meetings.

TENANT

Occupant of property, but not its owner, usually renting or leasing.

ARTICLE III - MEMBERSHIP

3.1 MEMBERS

Members of the Corporation shall be owners of one or more Aladdin Villas lots.

3.2 ARTICLES OF INCORPORATION, CORPORATION BYLAWS, DEED RESTRICTIONS

Upon request a copy of each of the above named documents will be furnished to Corporation Members.

3.3 TRANSFER OF FACILITIES USE

There is one set of residency privileges per residence. Therefore, if an owner leases or rents to a tenant, all rights and privileges are transferred to that tenant from the property owner, except the right to vote.

ARTICLE IV - MEETINGS OF MEMBERS

4.1 ANNUAL MEETING

The annual meeting of members shall be held on the first Thursday in February 1989, and each successive year thereafter for the purpose of electing directors and the transaction of such other business as may properly come before the meeting. If the day of the meeting is a legal holiday, the meeting will be held at the same hour on the first day following that is not a holiday.

4.2 MONTHLY MEETINGS

Regular monthly meetings of members shall be held on the first Thursday of each month. If the first Thursday of the month falls on a legal holiday, the meeting shall be held on the next business day to receive reports and to transact other business that may properly come before the meeting.

4.3 SPECIAL MEETINGS

Special meetings of the members may be called by the President, a majority of the Board of Directors, or upon written request of ten percent of the members, submitted to the Secretary.

4.4 PLACE OF MEETINGS

All meetings of members shall be held in Aladdin Villas, Mission, Texas.

4.5 NOTICE OF MEETINGS

Regular annual and monthly meetings shall be held as indicated in 4.1 and 4.2 and notice shall be included in meeting minutes of the previous meeting. Notice of Special meetings shall be given in writing to all members of record not less than 10 days nor more than 50 days before meeting date. Posting of meeting notices on the bulletin boards of both Aladdin Villas Clubhouses, stating the date and time of the meeting shall suffice as proper notice to resident members. Notice to non-residents shall be deemed delivered when deposited in the U.S. mail in a sealed envelope with postage paid, addressed to member's address as it appears on Corporate records.

4.6 QUORUM

Members owning, in total 28% of the lots recorded on the Corporation books, present either in person or represented by proxy, shall constitute a quorum at any meeting of members. If a quorum is not present at any meeting of members called with a proper notice, the chairperson shall declare the meeting to be an informational meeting. Although no business can be conducted, minutes will be taken for information purposes.

4.7 CUMULATIVE VOTING

Cumulative voting shall not be permitted.

4.8 PROXY

A proxy shall be issued by the Secretary to any member upon request, providing that member is physically unable to attend a meeting due to health reasons or is forced to be absent for personal reasons (travel, etc.). The proxy form may be obtained either from the Corporate office or directly from the Secretary. The completed proxy form must be submitted directly to the Secretary for approval. The proxies shall be valid for only one meeting. Members who are away for extended periods may obtain multiple copies of the proxy form from the Corporate office before leaving, and submit them individually to the Corporate Secretary for each meeting expected to be missed. Proxies are irrevocable after 11:00 AM on the Monday before a general meeting, and must be voted by the person holding the proxy. All proxies shall be filed with the Secretary, and shall be available for examination by any member.

4.9 INFORMAL ACTION BY MEMBERS

Any action that may be taken by members at a meeting, may be taken without a meeting, if consent in writing, setting forth the action to be taken, shall be signed by a majority of members entitled to vote on the proposed action.

4.10 WAIVER OF NOTICE

Whenever notice of any meeting is required to be given to members, a waiver of notice in writing, signed by a member entitled to such notice, whether before or after the meeting, shall be equivalent to giving such notice. All such written waivers of notice shall be filed with Corporate records, or made part of the minutes of the meeting.

4.11 VOTING

Each member shall have one vote for each lot owned. Ownership of a fraction of a lot shall entitle the owner to an equivalent fraction of a vote. Example: one-half lot, one-half of a vote. Members must register and pickup their ballots prior to the gavel opening the meeting. Any member who is in line at registration at such time will receive their ballot. All ballots must be signed in accordance with TPC 209.0058

4.12 MEETING AGENDA

Members may have items placed on agenda of a members' meeting by stating in writing the item to be placed on the agenda, the date of the meeting, and the member's signature. The request shall be given to any Board member at least five (5) days before the date of the meeting, and shall be placed on the meeting agenda. This does not preclude the fact that any member may bring up new business at any meeting at the appropriate time for new business without five (5) days notice.

ARTICLE V - DIRECTORS

5.1 POWERS

The business and affairs of the Corporation shall be managed by the Board of Directors who shall have and exercise all powers necessary or appropriate to effect any and all purposes for which the Corporation is organized. Such powers do not include authority for the Board to act contrary to a legal direction of the association membership which followed a vote of such association. The board shall be comprised of members of the Corporation.

5.1.1 POWERS OF ASSISTANT DIRECTORS

Each Assistant Director appointed, when replacing an absent Director, shall have and exercise all powers delegated to the Director whom the Assistant Director is replacing, and shall have the same duties, responsibilities and limitations, except that no Assistant Director shall be eligible for the office of President in the line of succession as prescribed in Article 6.2.2 Senior Vice President.

5.1.2 APPROVAL OF PHYSICAL CHANGES

No changes, repairs, alteration, additions, or modifications of any kind shall be made or be permitted to any common area property, equipment, buildings, structures, or improvements by any member or by any other person or entity unless prior approval by a majority of the Board of Directors has been obtained. However, the Vice-President of Maintenance is hereby given the authority to make emergency and routine repairs as he/she deems necessary without prior Board approval.

5.1.3 APPROVAL OF USE OF NAME AND FACILITIES

Prior approval of a majority of the Board of Directors shall be required and obtained for use of the name or facilities of Aladdin Villas for other than individual activities or purposes.

5.1.4 APPROVAL OF USE OF PROPERTY

No Corporate property may be sold or taken from Corporate premises without prior permission of a majority of the Board of Directors.

5.1.5 APPROVAL OF PARTICIPATION

The decision of the majority of the Board of Directors shall determine whether any sponsored Aladdin Villas activities shall be for Aladdin Villas members only, or if guests shall be permitted, and the decision of the Board shall be final and binding on all interested parties.

5.2 COMPENSATION

Directors shall serve without compensation for services to the Corporation as a Director or Officer. However, any Director may be reimbursed for expenditures approved by the Board of Directors upon submission to the Treasurer of proper documentation of the expenditure.

5.2.1 COMPENSATION OF ASSISTANT DIRECTORS

Assistant Directors shall serve without compensation for service to the Corporation as a Director or Officer, but may be reimbursed for expenditures authorized by the Board of Directors.

5.3 NUMBER

The number of Directors shall be eight (8).

5.3.1 NUMBER OF ASSISTANT DIRECTORS

The number of Assistant Directors shall be seven (7).

5.4 ELECTION AND TERM OF OFFICE

Directors, with the exception of Vice President-Activities, shall be elected at the annual meeting of members. All Directors shall hold office until their successors have been elected and qualified. Commencing with 1991 election, the President, the Secretary, the Treasurer and the Vice President, Properties, will be elected in the odd-numbered years for two-year terms. In the even-numbered years, the Senior Vice President, the Vice President, Finance, and the Vice President, Maintenance, will be elected for two-year terms.

The Vice President, Activities, shall be the member elected for the office of President of the Residents' Association (Activities Committee), in the manner and for the term prescribed by the bylaws of the Residents' Association. He/she shall be appointed by the other seven Directors immediately after the annual election of the Corporation Directors, and he/she shall take office on the Board of Directors at that time. The term of office of the Vice President, Activities, as a Corporation Director shall coincide and be concurrent with his/her term as President of the Residents' Association.

Effective with elections and terms of office for Directors for 1990 and thereafter, no member, with the exception of the Vice President-Activities, shall hold office, or be a candidate for office, on the Board of Directors while a member of the Activities Committee; and no Director shall hold office or be a candidate for office on the Activities Committee, with the exception of the Vice President-Activities, who shall also be the President of the Residents' Association (Activities Committee), as stated above.

5.4.1 APPOINTMENT OF ASSISTANT DIRECTORS AND TERM OF OFFICE

Each Director, with the exception of the President, within 30 days after each Annual Meeting of the Corporation, shall appoint an Assistant for his/her position as a Director. If a Director fails to appoint an Assistant within the 30 day period, the board of Directors is empowered to make the necessary appointment. All appointees chosen by a Director shall be approved by the Board of Directors before taking office as an Assistant Director. The term of office for an Assistant Director shall be from the date of appointment as an Assistant Director until the next Annual Meeting of the Corporation. No member of the Activities Committee shall be appointed as an Assistant Director, except that an Activities Committee member may be appointed as an Assistant to the Vice President, Activities. No person shall be allowed to serve as an Assistant Director on both the Activities Committee and the Board of Directors at the same time.

In the event both the Director and the Assistant Director must be away from the subdivision at the same time, a functional director may be appointed by either to fulfill the duties of the position. This functional director will have voting rights and full authority necessary to do the job. His/Her name must be communicated to all Board members available so that residents can determine who to contact by asking any Board member.

5.5 VACANCIES

Vacancies on the Board of Directors due to death, resignation, or removal shall be filled by appointment by the majority of the remaining members on the Board. The appointment shall be effective until the next annual election when a Director shall be elected to fill the unexpired term.

5.5.1 ASSISTANT DIRECTOR VACANCIES

Assistant Director vacancies shall be filled by appointment in the same manner, and for the same term, as that prescribed in these bylaws in Section 5.5 for filling vacancies on the Board of Directors.

5.6 QUORUM

A quorum at all meetings of the Board of Directors shall be five (5) Directors. The act of the majority of the Directors present at a meeting where a quorum is present shall be the act of the Board, unless a greater number is required by law or these bylaws. If less than a quorum is present at a properly called meeting, the majority of those present will adjourn the meeting.

5.6.1 COUNTING ASSISTANT DIRECTORS OR FUNCTIONAL DIRECTORS TOWARD A QUORUM

Assistant Directors or Functional Directors shall be counted toward a quorum when a Director represented by either an Assistant Director or a Functional Director is absent from a Board of Directors' meeting and the Assistant Director or Functional Director representing the absent Director is present at that Directors' meeting.

5.6.2 ELECTRONIC PARTICIPATION

Board members may participate in and hold a meeting by means of conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other. Or, another suitable electronic communications system may be used including video-conferencing technology or the Internet, but only if each board member entitled to participate in the meeting consents to the meeting being held by means of that system and the system provided access to the meeting in a manner or using a method by which each board member participating in the meeting can communicate concurrently with each other participant. Participation in such meeting shall constitute attendance and presence in person at such meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

5.7 REMOVAL

Any or all Directors may be removed, with or without cause, at a meeting of members called expressly for that purpose by vote of the majority of the members entitled to vote at any election of Directors.

5.8.1 REMOVAL OF ASSISTANT OR FUNCTIONAL DIRECTORS

Assistant Directors or Functional Directors may be removed from office, with or without cause, by action of a majority of Directors, or by a majority of members present at a regular or special meeting of members.

5.9 PLACE OF MEETING

All meetings of the Board of Directors shall be held at Aladdin Villas, Mission, Texas.

5.10 REGULAR MEETINGS

The regular annual meeting of the Board of Directors shall be held immediately after the annual meeting of the members without other notice than these bylaws. Other meetings of the Board of Directors shall normally occur at 8:30 a.m. the Thursday prior to the residents regular meetings (which are the first Thursday of each month) and the Thursday following the regular residents meeting, although during May through September the scheduled meeting following the residents meeting may be cancelled with a majority vote of the board and noted to the residents. If changes are made to the schedule, notice to members will be given at least 72 hours in advance of meeting by posting in a conspicuous place on the association's common property or on an internet web site and sending the notice by email to each owner who has registered their email address with the Aladdin Villas office. Meetings of the Board Of Directors may or may not include an executive session in which personnel issues, litigation, enforcement actions and other confidential matters as allowed by TPC 209.0051 are discussed. Notice of the general nature of an executive session shall be provided to members at least 72 hours in advance by posting in the usual manner. Any decision made in executive session shall be summarized orally and placed in the minutes, in general terms, including a general explanation of funds approved.

5.11 SPECIAL MEETINGS

Special meetings of the Board of Directors may be called by the President, Secretary or any two Directors. All available directors must be notified of the meeting, and a quorum must be present in order to transact any business and guidelines in TPC 209.0051 must be followed (see 5.10).

5.12 ACTION WITHOUT MEETING

Any action required or permitted to be taken by the Board of Directors in a meeting may be taken instead by a written consent executed by all the Directors, and shall have the same force and effect as if taken by the Board of Directors in a regular meeting. The written consent shall be filed with the minutes of the Board.

5.13 LIMITATION ON POSITIONS

No Director shall fill more than one position on the Board of Directors.

5.13.1 LIMITATION ON ASSISTANT DIRECTOR POSITIONS

No Assistant Director shall fill more than one position on the Board of Directors.

5.14 RESIGNATION

A director may resign at any time, and acceptance of resignation shall be automatic on date designated on resignation.

5.14.1 RESIGNATION OF ASSISTANT DIRECTORS

An Assistant Director may resign at any time, and acceptance of resignation shall be automatic on date designated on resignation.

5.15 RESPONSE TO MEMBERS

Any member wishing to present a matter to the Board of Directors for consideration or action, shall present the matter in writing with member's signature. A written response shall be made by the Board within 10 days after the next meeting of the Board.

ARTICLE VI - OFFICERS

6.1 LIMITATION OF POSITIONS

No Director shall fulfill the office of more than one officer.

6.2 NUMBER AND POSITIONS

6.2.1 PRESIDENT

The President shall be the chief executive officer of the Corporation and shall, subject to the direction and control of the Board of Directors, have general supervision, direction, and control of the business and affairs of the Corporation. He or she shall preside at all meetings of members and directors and shall be an ex-officio member of all standing committees. He or she may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors have authorized to be executed, except in cases where signing and execution thereof shall expressly be delegated by the Board of Directors or these bylaws, or by statute to some other officer or agent of the Corporation. He or she shall have the power and duties of management usually vested in the President, and such other powers and duties prescribed by the Board of Directors or these bylaws, including filing all necessary updated regulations and management certificates with Hidalgo County.

6.2.2 SENIOR VICE PRESIDENT

In the absence or disability of the President, the Senior Vice President shall fulfill the Office of President, and when so acting shall have all the power of, and the restrictions upon the President. The Senior Vice President shall assist the President in the performance of his or her duties and have such other powers and duties as may be prescribed by the Board of Directors or these bylaws. In the event the President is unable to fulfill his or her term of office, the Senior Vice President shall assume the duties of President until the next annual election, when a President shall be elected to finish the remainder of the term. The Senior Vice President shall be responsible for the circulation of information to members, on a regular basis, concerning decisions and actions of the Board of Directors.

The Senior Vice President shall also be responsible for the following items:

1. Management of the Corporate Office, including staffing, recruiting, and training of required volunteers.
2. Maintenance and distribution of Blue Books.
3. Supervision of the Block Captain organization, coordination of information distribution, and implementation of board decisions involving that organization.
4. Supervision of the voter registration table at each monthly meeting to provide proper verification of eligibility, sufficient ballots, and accurate vote counts.
5. Maintenance and distribution of the history of Aladdin Villas.
6. Supervision of the HUD Verification of Occupancy survey and for maintaining accurate records of the results.

In the event that the Senior Vice President is unable or unwilling to fulfill the office of President, as prescribed above, the order of succession of the remaining Directors on the Board of Directors to the office of President shall be in the following order:

1. Vice President, Maintenance
2. Vice President, Properties
3. Vice President, Finance
4. Vice President, Activities
5. Treasurer
6. Secretary

Any Director so succeeding to the office of President shall serve only until the next Annual election, when a President shall be elected for that office. Only elected Directors shall be eligible to succeed to the office of President.

6.2.3 SECRETARY

The Secretary shall keep the minutes of all meetings of Directors and members with a copy of the notice of each meeting or waiver of notice, the names of those present at Directors' meetings, and the number of members present or represented by proxies at members' meetings. The Secretary shall have custody of the Corporate Seal and shall affix it to all documents where required.

The Secretary shall have a current copy of the member register showing the name and address of each member, and shall have on file copies of all proxies that may be voted at members' meetings. The Secretary shall issue notices of all meetings as required by law or these bylaws, and shall handle all correspondence of the Corporation, as directed by the Board. The Secretary shall perform other duties associated with this position, as directed by the Board. Assistant Secretaries may be appointed by the Board of Directors with such powers and duties as may be prescribed by the Board.

6.2.4 TREASURER

The Treasurer shall be bonded at the expense of the Corporation. Assistant Treasurers, if appointed, shall also be bonded. The Treasurer shall be responsible for keeping and maintaining adequate and correct records of the accounts, properties and business transaction of the Corporation. The Treasurer shall issue statements of accounts due, and receive and be responsible for all Corporate funds from all sources, and shall deposit these funds to the credit of the Corporation into the account and depository as directed by the Board. The Treasurer shall disburse funds and issue checks, cosigned with another Officer upon submission of proper bills, statements, and invoices as directed by the Board. The Treasurer shall prepare monthly and annual Corporate financial statements and such other reports as may be required by the Board, and shall have such other power and duties as may be assigned by the Board. Assistant Treasurers may be appointed by the Board of Directors with such power and duties as may be prescribed by the Board.

6.2.5 VICE PRESIDENT, ACTIVITIES

The Vice President, Activities, shall be the Chairperson of the Activities Committee. His or her duties and responsibilities are fully described and defined in the bylaws of the Residents' Association. The Activities Committee shall operate within the Corporation with its own bylaws, approved by a majority of the members of the Corporation. The bylaws of this Committee that were in existence before the formation of the Corporation shall be amended to conform to the Article of Incorporation and these Corporation bylaws. The funds of the Activities Committee and disbursement of these funds shall be controlled by the Activities Committee members, but shall be subject to accounting of income, expenditures and assets on a monthly and annual basis to the Corporation members. The Vice President, Activities, shall make a report at each monthly meeting of Corporation members on the current functions of the Activities Committee.

6.2.6 VICE PRESIDENT, MAINTENANCE

The Vice President, Maintenance, shall be responsible for all maintenance, landscaping and repair of existing common property, for waste collection service, for sub-division security, and for all cleaning of common property. He shall make recommendations to the Board of Directors regarding the maintenance, landscaping, repair and modification of common property, equipment and buildings, and he shall obtain estimates of the cost of recommended improvements when requested by the board. All new construction or major renovation shall be supervised by the Vice President, Maintenance.

6.2.7 VICE PRESIDENT, PROPERTIES

The Vice President, Properties, shall be responsible for the enforcement of all rules and regulations established by the Corporation. He/She shall be responsible for enforcing lot maintenance and for monitoring all the residential construction and alteration of buildings, signs, fences and other structures in Aladdin Villas. The Vice President, Properties shall be responsible for the inspection of all mobile homes before allowing placement in Aladdin Villas and shall recommend acceptance or rejection of each unit to the Board. The Vice President, Properties will also be responsible for the monitoring of all rules, regulations, restrictions and prohibitions set out Section 4, 5, 6, and 7 of the Deed Restrictions. He/She will report all violations to the Board, recommend action to correct violations, and take such action in this regard as may be approved by the Board.

6.2.8 VICE PRESIDENT, FINANCE

The Vice President, Finance, shall be the financial advisor for the Board of Directors and the Corporation. His or her responsibilities shall include, but not be restricted to the following: Develop detailed proposed annual budget for common areas expenditures, and upon approval by the Board, post on the bulletin boards. Project annual costs for management of waste removal. Submit projections of anticipated expenditures to the Board at least 60 days before end of fiscal year. Upon approval by a majority of Board Members, and the members at the December meeting, the resulting figures will be used for billing of members for maintenance and waste collection fees. Make recommendations for long range expenditures and action. Perform other functions related to finance, as directed by the Board.

ARTICLE VII - NOMINATION AND ELECTION OF DIRECTORS AND OFFICERS

7.1 ELIGIBILITY

Any Corporation member shall be eligible for nomination as a Director unless that person has been convicted of a felony or due to “moral turpitude”.

7.2 NOMINATING COMMITTEE

The Nominating Committee shall be appointed by the Board of Directors at least 30 days before each annual meeting of members. Members of this committee shall be Corporation members. The number of members on this committee shall not be less than three.

7.3 NOMINATIONS

Positions open on the Board of Directors shall be publicized by the nominating committee. With each open position shall be stated the corresponding Officer position. Written, unsigned nominations will be received from any member for each available position until 15 days before the date of the election.

7.4 OFFICER POSITIONS

All nominees must be members, and each nomination shall include the Officer position for which the Director is nominated. Nominations without the Officer position designation shall be void and will be discarded.

7.5 CANDIDATES

All nominated persons shall be contacted by the nominating committee, and their willingness to serve, if elected, shall be determined. No individual shall be a candidate for more than one position on the ballot. The names of all individuals who approve their candidacy shall be placed on the ballot, with the Officer position included with each name. Each member who accepts candidacy on the ballot shall furnish to the nominating committee a brief resume of his/her background and experience.

7.6 SAMPLE BALLOTS

Sample ballots shall be posted in each club house at least 5 days before the election, and shall list all names of nominated individuals who have agreed to their candidacy. After each name shall be the designation Director and the Officer position for which the individual is a candidate.

7.7 ELECTION COMMITTEE

An election committee shall be appointed by the Board of Directors to prepare ballots, determine eligibility to vote, issue ballots, supervise voting of proxies, count ballots, and certify elected candidates to the Board of Directors and to the members. The candidates name and the number of votes received by each candidate shall be furnished to the Board. No candidate for election , nor persons within three degrees consanguinity or affinity, shall serve on the election committee The total votes cast for each position on the ballot, and the number of votes received by each candidate for that position shall be furnished to the Board by the election committee. The winning candidates shall be announced to members and posted on bulletin boards. Actual vote counts will not be announced unless the difference is less than 10% of all votes cast. Actual vote counts will be available to any interested person by contacting the Corporate Secretary.

7.8 ELECTED CANDIDATES

Candidates certified as elected by the election committee shall take office at the Directors' Meeting scheduled immediately after the annual meeting of members. No notice of this Directors' Meeting, other than these bylaws, shall be required.

7.9 ELECTION

Election of Director/Officers shall be held each year at the annual meeting.

7.10 OTHER NOMINATIONS

There shall be no nominations from the floor for the Director/Officer position at the Annual

Meeting.

7.11 WRITE-IN VOTES

There shall be no write-in votes at the Annual Meeting for the positions of Director/Officer.

7.12 PLURALITY OF VOTES

The candidate receiving the greatest number of votes for each Director/Officer position at the Annual Meeting election shall be declared elected. In the case of a tie between two candidates, the tie shall be broken by some suitable means of tie breaking, agreeable to both candidates. There shall be no run-off election. If there is but one person nominated for an office, the President shall declare that person elected to that position by acclamation.

7.13 VACANCIES AFTER ELECTION

In the event open positions on the Board of Directors are not filled after the Annual Election, a majority of the members on the Board shall have the power to appoint Director/Officers to fill the vacant positions. The appointment shall be effective until the next annual election when a Director shall be elected to fill each unexpired term.

7.14 RECOUNT OF VOTE

Should a recount be requested by a member no later than 15 days after an election, the procedure outlined in TPC 209.0057 shall be followed.

ARTICLE VIII - EXECUTIVE COMMITTEE

8.1 FORMATION

The Executive Committee shall consist of any two or more Directors in residence during the summer months when it is impossible to obtain a quorum of Directors. An Assistant Director may serve as a member of the Executive Committee if the Director represented by the Assistant Director is absent during the designated period.

8.2 POWERS

The committee shall serve at the pleasure of the Board, and except as provided by law and these bylaws, shall exercise such powers as are delegated to this committee by the Board, for the handling of Corporation business and affairs during the interim period when a majority of Directors are not, or not expected to be present in Aladdin Villas. This interim period shall be approximately from May 1 to October 1 each year or for such period as the Board may determine.

8.3 REPORTING

The Executive Committee shall make a comprehensive report of its actions taken during the interim period, to the Board of Directors and Members at the first meeting after the interim period when a quorum is present.

ARTICLE IX - CONTRACTS, CHECKS, DEPOSITS AND FUNDS

9.1 CONTRACTS

The Board of Directors, except as otherwise provided in these bylaws, may authorize any Officer or Officers, agent or agents, to enter into any contract or execute any instrument in the name and on behalf of the Corporation. Such authority may be general, or confined to specific instances. Unless authorized by the Board of Directors, no Officer, agent, or employee shall have any power or authority to bind the Corporation by any contract, or engagement, or to pledge its credit or to render it liable for any purpose or to any amount. No Assistant Director shall have authority to take any action reserved by law to an Officer of the Corporation.

9.2 VOLUNTARY SERVICE

It is expressly understood that all members serving the Corporation, for whatever purpose and in any capacity, shall do so on a voluntary basis without payment or remuneration of any kind, unless the Board of Directors, by a majority vote has made specific and express arrangements for payment. Payment for actual expenses incurred may be authorized by majority vote of the Board.

9.3 CHECKS AND DRAFTS

All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such Officer or Officers, Agent or Agents of the Corporation and in such manner as shall be determined by resolution of the Board of Directors. In the absence of such determination by the Board, such instruments shall be signed by the Treasurer and countersigned by the President or Senior Vice President of the Corporation.

9.4 FUNDS AND DEPOSITS

All funds of the Corporation, except as otherwise provided in these bylaws, shall be deposited to the credit of the Corporation in such accounts, and in such banks or other depositories as the Board of Directors may select.

All revenues (less any sales expenses) derived from the sale of Corporation property previously purchased by the Aladdin Villas Residents Association (Activities) shall be returned to the Aladdin Villas Residents Association.

ARTICLE X - FISCAL YEAR, BUDGET, ASSESSMENT, INCOME

10.1 FISCAL YEAR

The fiscal year of the Corporation shall start on the first day of January, and end on the last day of December each year.

10.2 EXPENSE PROJECTION

The Board of Directors shall annually project the anticipated required expenditures for expenses related to the Common Area for the following year.

10.3 ANNUAL MAINTENANCE FEE

The amount projected shall be computed proportionately to each lot or portion thereof, and shall be the annual maintenance fee billed to lot owners for the following year. The annual assessment for the maintenance fee shall not be increased more than 10% (ten percent) in any one year unless prior consent has been voted by a majority of owners at a special meeting called for that purpose.

10.4 WASTE REMOVAL PROJECTION

The Board of Directors shall annually project anticipated expenditures for management and operation of waste collection.

10.5 WASTE REMOVAL FEE

The amount projected shall be charged in equal amount to each owner of a residence in Aladdin Villas, and this amount shall be billed as the waste collection fee for the following year.

10.6 FEE ACCOUNT

A separate account shall be maintained for waste collection income and related expenses. If a balance remains in this account at the end of the year, it shall be used to reduce the waste collection fee the following year. If fees are not sufficient to cover expenses, a fee increase the next year shall be used to correct the shortage. This fund shall not be used in computing the annual maintenance costs or fees.

10.7 OTHER INCOME

Income from sources other than annual maintenance and waste collection fees shall not be used in computing annual fees for operation of common areas. Separate funds are the (1) Contingency Fund and the (2) Donation and Memorial Fund.

10.7.1 CONTINGENCY FUND

This fund is to be used for emergency situations defined as unexpected, unbudgeted expenses that require immediate action, and are beyond the scope for the operating budget. This fund shall not be used in computing annual fees for operation of Common Areas. As it is essential that the Contingency Fund experience minimum activity, the Board of Directors will review all charges to the account each December. Any expenditures which can be charged to the operating budget without causing an overage on the total budget will be reversed to the operating budget. When the fund balance in this account exceeds \$30,000 the excess may, at the Boards discretion, be used for member approved capital improvements.

10.7.2 DONATION AND MEMORIAL FUND

NOTE: Donations to Aladdin Villas are not tax deductible.

The purpose of this fund is to receive, with prior approval of the Board of Directors, gifts of money or other contributions from individuals or other sources. If the gift is for a specific purpose it shall be covered by a written agreement signed by the Board President and the donor. All memorials will receive appropriate recognition. The Donation and Memorial Fund may be banked separately. Monthly totals of specified and non-specified funds will be reported to the membership. Expenditures from this fund must be proposed by the corporate Board and approved by a majority vote of the corporate members at a regular meeting. Proposed expenditures shall be posted in the same manner as notice of the annual meeting.

10.8 BUDGET

A proposed itemized annual budget, approved by a majority of the Board of Directors shall be presented to members for amendment and approval at each December meeting. A printed copy of the proposed, itemized annual budget shall be posted at each hall at least 30 days prior to the December meeting, with individual copies available in the office. The budget will also be presented at the November meeting in order to answer questions, and promote discussion. This budget shall include all proposed expenditures anticipated by the Board for the next year. Upon Approval, the budget shall be the approved guidelines for Board expenditures for the next year.

10.9 SPENDING LIMITS

The Approved budget shall be the guidelines for operating expense each fiscal year, as defined in Section 10.8 Budget, but the Treasurer, with Board approval, may expend amounts not to exceed \$1,000.00 in excess of the total operating budget during any fiscal year for budgeted line items. Prior approval of a majority of members at a meeting of members shall be required for expenditure in excess of \$1000.00 over total budgeted annual operating expense, and shall also be required for any expenditure in excess of budgeted amount for any Community Improvement Project. Prior approval of the general membership shall also be required for any Community or Capital Improvement projects unless it was a specified line item in the budget. Any expenditure over \$1,000 (other than general maintenance) shall also require approval of the general membership unless it was specifically approved in the budget.

10.10 FINES, FEES, PENALTIES

Annual maintenance fees and annual waste collection fees, if unpaid, shall become delinquent thirty (30) days after statement due date, unless a member has requested a payment plan which shall allow an extension of up to three months. All remedies and recourses available for collection of these fees, plus fines and penalties, if applicable, shall be available to the Board of Directors after that date. The Board of Directors shall have the express authority to impose such fines, fees, and penalties, as they deem necessary and appropriate for the late or non-payment of fees and assessments. The fines, fees, or penalties so imposed shall be applied equitably on delinquent members. The fines, fees, and penalties authorized herein, if imposed, shall be in addition to the recourse made available in the Deed Restrictions as a property lien for non-payment of the annual maintenance fee. The annual maintenance fees are secured by a continuing lien upon the property against which the assessment is made. Upon delinquency, the Corporation may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the property. Costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessment provided herein by non-use of Common Areas, or by abandonment of member's lot. Any assessment not paid within forty-five (45) days after the due date shall include an additional charge of ten dollars (\$10.00) per month to cover the cost of billing and collection.

ARTICLE XI - AUDITING COMMITTEE

11.1 APPOINTMENT

An Auditing Committee shall be appointed by the Board of Directors to perform an annual audit of Corporation financial records, income, disbursements and deposits, and the results of the audit shall be reported to the Board.

11.2 MEMBERS

This committee shall have three members, competent to perform this audit. The Committee members shall not be members of the Board of Directors, nor Assistant Directors.

11.3 RECORDS

The Board of Directors shall make such records as are needed for this audit available to committee members.

11.4 REPORT

The audit shall be completed, and the report of the Audit Committee filed with the Board of Directors at least five days prior to the annual meeting of members. The audit report shall be read to members at the annual meeting. Deviations from good accounting practice, if any, shall be corrected by the Board of Directors.

11.5 OUTSIDE AUDIT

At any regular or special meeting, members, by majority vote, shall have the right to order an audit of Corporation books and records by an accredited accounting firm, with the fee for this audit to be paid from Corporation funds. Results of such audit shall be made available to members.

ARTICLE XII - CORPORATE RECORDS AND REPORTS

12.1 AVAILABILITY

The Corporation shall keep correct and complete books and records of accounts, and shall keep minutes of the proceedings of meetings of members, Board of Directors, and committees having the authority of the Board of Directors. It shall also keep at the registered or principal office a record giving the names and addresses of members. All books and records of the Corporation may be inspected by any member or member's agent or attorney at any reasonable time. If a member requests copies of any records, such shall be provided at \$20.00 per record plus \$1.00 per page.

12.1a VERIFICATION OF OCCUPANCY UNDER THE HOUSING FOR OLDER PERSONS ACT OF 1995

The Corporation shall maintain verification of occupancy compliance through the following forms to be completed and signed and filed at the corporate office: (1) Age and Occupancy Verification form which shall include the member's signature and street address with a copy of the member's driver's license attached to such form and (2) by having the member execute the Notice of Transfer of Property Ownership form adopted by the Board on May 7, 2013 and revised December 26, 2013.

12.2 PROXIES

Copies of all proxies that may be voted at meetings of members shall be kept on file at the principal office of the Corporation.

12.3 OTHER

A copy of the Deed Restrictions, the Articles of Incorporation, and these bylaws shall be kept on file at the principal office of the Corporation.

ARTICLE XIII - RULES AND REGULATIONS

13.1 DEED RESTRICTIONS

All the restriction, prohibitions, requirements, regulations, covenants and rules stated in the Deed Restrictions and Texas Property Code are hereby made part of the bylaws of the Corporation. The violation or non-enforcement of any of these either presently or in the past, shall not set a precedent or prohibit their present or future enforcement, if the Board of Directors shall so decide.

13.2 AUTHORITY FOR INTERPRETATION

The Board of Directors, as assigns of the Developer/Owner, shall have the authority to settle disputes over the interpretation of the Deed Restrictions and the Bylaws, and their decisions shall be final and binding on all interested parties.

13.3 ENFORCEMENT

The Board of Directors shall have the right and responsibility to enforce by any proceedings at law or in equity, all restrictions, conditions, covenants, reservations, rules, prohibitions, and regulations imposed by the Texas Property Code, Deed Restrictions or these bylaws. Failure to enforce any of the stated provisions shall in no event be deemed a waiver of the right to do so thereafter. Invalidation of any one of these provisions by judgment or court order shall in no way effect the other provisions, and all other provisions shall remain in full force and effect. The Board of Directors shall be required to accurately poll the residents to ascertain their position prior to filing a lawsuit. This opinion will be published but non-binding on the Board of Directors.

13.3a Violations of the policies and procedures stated herein shall be handled in the following manner: Upon any violation by an owner, the Aladdin Villas Property Owners Association, Inc. Board, or a member thereof, shall serve, in person or by certified mail, the alleged violator (respondent) with the written notice including:

1. The time, place and nature of the alleged violation,
2. The proposed sanction to be imposed under the Covenants or By-laws,
3. A statement that the alleged violator may present a written request for a hearing to the Aladdin Villas Property Owners Association, Inc. Board within 15 days from the date of the notice, and
4. A statement that the proposed sanction will be imposed as set forth in the notice unless a request for a hearing by the Aladdin Villas Property Owners Association, Inc. Board is filed at the Aladdin Villas Property Owners Association, Inc. office within the 15-day period. If the last day for filing any document is a weekend or legal holiday, a filing made on the next business day is sufficient.

The Board of Directors of the Aladdin Villas Property Owners Association, Inc. shall move to enforce a correction to the violation under ARTICLE XIII RULES & REGULATIONS of the Bylaws of the Aladdin Villas Property Owners Association, Inc. if a cure is not diligently commenced within a 15-day period.

13.4 ADDITIONS

In addition to the conditions set forth in the Deed Restrictions, the following Rules and regulations shall be established and enforced in Aladdin Villas as part of these bylaws:

- (a) No more than two (2) adults shall occupy or reside in any dwelling in Aladdin Villas, except as temporary guests. Individual adult guests, where the number exceeds the limit of two (2) adults per dwelling, shall be limited to one thirty (30) day stay in any calendar year.
- (b) No dwelling in Aladdin Villas shall be occupied, rented, or leased to any family with children under eighteen (18) years of age. Visits of individual children shall be restricted to one thirty (30) day stay in any calendar year.
- (c) Special, extenuating circumstances, approved by a majority of the Board of Directors, shall temporarily suspend the rules limiting permitted visiting periods for both children and adults, as stated in 13.4(a) and 13.4(b) above. Requests for approval of extension of visiting time shall be made in writing to the Board of Directors, and their decision shall be made known to applicant and members within ten (10) days, and if approved, shall be for specified periods of time.
- (d) All children must be accompanied by an adult when using Aladdin Villas facilities. If the adult is not the member, the adult must have and display the badge (name tag) of the member. Members shall be responsible and liable for acts of guests while using Aladdin Villas facilities.
- (e) Owner shall be responsible and liable for acts of tenants while using Aladdin Villas facilities.
- (f) No animal, with the exception of "Seeing Eye" guide dogs, shall be allowed in any area of Aladdin Villas clubhouses, or in swimming pool area.
- (g) All lots shall be used for residential purposes only, upon which may be constructed all forms of permanent and single family residences, or upon which may be placed mobile homes not more than three (3) years old, and with not less than 840 square feet of living area that have been approved by the Aladdin Villas Properties Committee for placement in Aladdin Villas.
- (h) Only one (1) ancillary building, of any nature and for whatever purpose may be constructed or placed on any single property description in Aladdin Villas, and shall be constructed or placed only on property where a dwelling exists. Any ancillary building must conform to all current City Codes or Ordinances.

- (i) Recreation vehicles, including trailers, motor home, vans, mini-buses, and campers may be stored on owner's property where a dwelling exists, or on adjoining parallel property under the same ownership. Parking of the above named recreational vehicles is also permitted, with owner's written permission, on premises or vacant lots within Aladdin Villas. Recreational vehicles so parked must be the property of Aladdin Villas owners, and must meet all other requirements of Mission City Ordinances, Aladdin Villas Deed Restrictions and these bylaws.
- (j) The facilities of Aladdin Villas shall not be used for the support of any specific political party or any specific political candidate.
- (k) The facilities and activities in Aladdin Villas are primarily for the residents. Consequently, individuals from the local area are not permitted to participate on a continuing basis in scheduled activities, such as ceramics, stained glass, pool, cards, etc.

13.5 USE OF ALADDIN VILLAS FACILITIES BY OWNERS

Aladdin Villas facilities may be used by members of Aladdin Villas Property Owners Association, Inc. for personal use and events under the following conditions and stipulations, at no charge:

- (a) The facility requested and time desired shall be requested, confirmed, and scheduled with the individual designated by the Board of Directors for this function.
- (b) The facility requested shall not have been previously scheduled for this date and time.
- (c) The persons using the facility shall consist of a minimum of 51% (over one-half) Aladdin Villas owners.
- (d) The facility shall not be used for a commercial purpose unless a majority of the Board of Directors has given prior approval for such use.
- (e) Facilities shall not be scheduled for more than one 24 hour period in any given month by any single reserver, or for any single purpose.
- (f) The facilities requested and assigned shall be commensurate with the number of guests planned for the event.
- (g) Users of facilities shall have total responsibility for turning on lights, air conditioning or heat, and any other equipment used, and shall be responsible for turning off all utilities and equipment when the event is ended.
- (h) All clean-up shall be the responsibility of the person who reserves the facilities, and in the event the facilities are not properly cleaned and restored to the same condition existing before the event, the corporation shall have the power to have the facility cleaned, and charge the cleaning to the person who reserved the facility.
- (i). Damage or breakage of any Corporate property during use for personal purposes shall be paid for by the person reserving the facilities, and agreement to such payment for damage or breakage shall be a condition of use.
- (j) The date and time of use of the facilities requested shall be determined at the time they are requested and reserved, and use shall not exceed the assigned time period, but in no case shall period of use exceed the time limit of 12:00 midnight.
- (k) Person reserving facilities agrees to restrict all guests to assigned space and other reserved facilities.
- (l) In the event there is any dispute or conflict in assignment and/or use of any Aladdin Villas facilities, the Board of Directors shall arbitrate such dispute or conflict, and the decision of a majority of Board members shall be final and binding on all interested parties.

ARTICLE XIV - INDEMNIFICATION

The Corporation, at its expense, shall indemnify its present or former Directors, Officers, Committee Members, Employees, Agents, and Members acting in its behalf to the fullest extent permissible by law.

ARTICLE XV - TOWNHOUSES AND/OR CONDOMINIUMS

Construction of townhouses and/or condominiums will not be allowed in Aladdin Villas

ARTICLE XVI - RULES OF ORDER

Robert's Rules of Order, latest edition, shall be the procedural authority for parliamentary procedure in all meetings of the Board of Directors, for all meetings of Members, and for all Committee meetings, except where inconsistent with these bylaws, the Articles of Incorporation, Deed Restrictions, or local, state, or national law.

ARTICLE XVII - AMENDMENTS TO BYLAWS

These bylaws may be amended at the annual meeting of members by a favorable vote on the proposed amendment of sixty-seven percent (67%) of members voting, a quorum being present. Proposed bylaw changes will be given to the Board of Directors by Oct 31 so the bylaws can be researched by the Bylaw Committee and given to the Board of Directors for their information prior to the last Board meeting in November. The proposed amendment must be presented to members of record in the same manner as notice of the annual meeting.