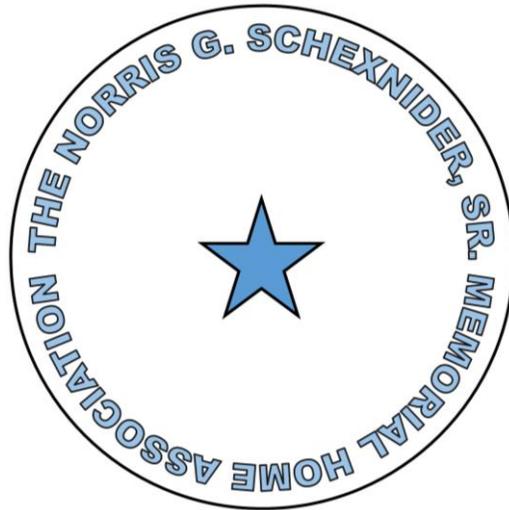


Norris G. Schexnider, Sr. Memorial Home Association

By-Laws



**BY-LAWS OF THE
NORRIS G. SCHEXNIDER, SR., MEMORIAL HOME ASSOCIATION**

ARTICLE I - NAME

SECTION 1. The name of this Corporation is the NORRIS G. SCHEXNIDER, SR. MEMORIAL HOME ASSOCIATION (HOME ASSOCIATION) located at 6315-B FM 1488 Suite 251, Magnolia, Montgomery County, Texas 77354, per filing 802432607 with the Office of the Secretary of State of Texas.

ARTICLE II - PURPOSE

SECTION 1. The purposes for which this non-profit Corporation is formed are: (a) to promote fraternal, charitable, educational, civic, athletic, and social pursuits, (b) to manage and maintain the grounds, building or buildings for the promoting, organizing, engaging in, and cultivating the charitable, religious, educational, civil, and social activities among its members, (c) to render mutual aid and assistance to its sick, disabled, and needy members and their families, and (d) to support and cooperate with all of the fraternal charitable, religious, patriotic, and civic enterprises of the Father Frank Jones Council 11866 of the Knights of Columbus (Council). Provided, however, and notwithstanding any other provisions of these Articles, the Corporation shall not carry on any activities, nor shall it have any powers prohibited to an organization exempt from federal income tax under Section 501(c)(2) of the Internal Revenue Code, or the corresponding section of any future United States internal revenue law.

SECTION 2. The Corporation shall not have or issue shares of stock or pay dividends. No part of its earnings or assets shall inure to the benefit or be distributable to its members, directors, officers, or other private persons, except that it shall be authorized to pay reasonable compensation for services rendered and to make payments and distribution in furtherance of its purposes.

ARTICLE III – GENERAL MEMBERSHIP

SECTION 1. General Membership in the HOME ASSOCIATION shall be limited to those members in good standing in the Council.

SECTION 2. A third degree or fourth degree member in good standing in the Council shall be eligible to run for a position on the Board of Directors, and for a position as an Officer.

ARTICLE IV - MEETINGS

SECTION 1. At the Initial, Organizational Meeting of the HOME ASSOCIATION, the Grand Knight shall preside over the meeting and hold a vote on the adoption of the By-Laws by simple majority vote. Immediately upon the adoption of these By-Laws at such meeting, the Council's Grand Knight shall call from among the members to nominate and elect six (6) Interim Incumbent Directors by a simple majority vote. All six (6) Interim Incumbent Directors shall serve during

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the interim period of time from the initial organizational meeting of the HOME ASSOCIATION until the first Annual Membership Meeting of the HOME ASSOCIATION at which time the six (6) Elected Directors shall be elected in accordance with these By-Laws. All six (6) Interim Incumbent Directors are fully eligible to run for election as Elected Directors, and the period of service as Interim Incumbent Director shall not count as a “term” as provided in ARTICLE VI, SECTION 3, below. Immediately subsequent to the election of the six (6) Interim Incumbent Directors, the newly constituted eleven (11) member Interim Board of Directors shall, among and from themselves, nominate and elect persons to the following positions: President, Vice President, Secretary, and Treasurer. No person may hold two offices at the same time. Upon such election, the President shall preside over all further business at such Initial, Organizational Meeting. Officers are elected by simple majority vote of the Board of Directors at each annual meeting, or whenever a vacancy occurs.

SECTION 2. The order of business for the Initial Organizational Meeting shall be as follows:

1. Opening prayer
2. Adoption of the By-Laws
3. Election of six (6) Interim Incumbent Directors
4. Election of Officers by the Directors
5. Establishment of the Agenda for the next Regular Business Meeting
6. Closing Prayer

SECTION 3. The Annual Membership Meeting of the HOME ASSOCIATION shall be held on the third (3rd) Monday of July.

SECTION 4. The terms of the incumbent elected directors and incumbent officers shall expire upon the election of the new elected directors and officers.

SECTION 5. The order of business at the Annual Membership Meeting of the HOME ASSOCIATION shall be as follows:

1. Opening prayer
2. Roll call of Officers and Directors
3. Reading of minutes of last Annual Membership Meeting
4. Treasurer’s report (12 month summary and comparison to last annual audit)
5. Election of Board of Directors
6. Election of Officers by the Board of Directors
7. Closing prayer

SECTION 6. The Regular Business Meetings of the HOME ASSOCIATION shall be held on the third (3rd) Monday of each month except July (Annual Meeting) and November for a total of ten (10) meetings per annum. When necessary, the date of the Regular Business Meeting may be changed to a date to be determined by a simple majority vote of the General Membership present.

SECTION 7. The order of business of the Regular Business Meetings of the HOME ASSOCIATION shall be as follows:

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1. Opening prayer
2. Roll call of Officers and Directors
3. Reading of minutes of previous Regular Business Meeting
4. Treasurer's Report
5. Reports of Committees
6. Reading of Communications
7. Unfinished Business
8. New Business (Approval of the budget in August)
9. Discussion and approval of the agenda for the next Regular Business Meeting; provided, however, any member may propose an item to be added to the agenda for the next meeting by providing a request in writing to the President and Secretary at least five (5) days prior to the Regular Business Meeting.
10. Closing Prayer

SECTION 8. Special Meetings of the HOME ASSOCIATION may be called by the President, by the Board of Directors, or upon the request of ten (10) members in good standing. Five (5) days' notice of such special meetings shall be given to the General Membership of the HOME ASSOCIATION.

SECTION 9. The order of business at a Special Meeting of the HOME ASSOCIATION shall be as follows:

1. Opening prayer
2. Roll call of Officers and Directors
3. Reading of minutes of previous meetings necessary to conduct the special meeting
4. Special business (No new business can be discussed)
5. Closing Prayer

SECTION 10. Voting rights of the General Membership at all meetings of the HOME ASSOCIATION shall be by simple majority and is limited to the following:

1. Election of Directors
2. Approval of Annual Budget
3. Transfer of funds exceeding \$500 unless already authorized in the annual budget
4. Approval of the purchase of any property, real or personal, exceeding \$500 unless already authorized in the annual budget
5. Approval of the final design of the original facility of the HOME ASSOCIATION building plans as presented by the Board of Directors to the General Members.

Any and all other voting rights and responsibilities are reserved for the Board of Directors under these By-Laws.

SECTION 11. Emergency Meetings. The President may call an emergency meeting of the Board to address bona fide emergencies such as natural disasters or other acts of God in order to take

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necessary actions to protect the assets of the HOME ASSOCIATION, including incurring expenses which might be greater than those requiring approval as specified in these By-Laws. The President may call an Emergency Meeting using electronic means. A simple majority of the Board would be required to effect any emergency decision. Any action required or permitted to be taken by the Board may be taken without a meeting, and with the same force and effect as the unanimous vote of the Directors, if all of the members of the Board shall individually collectively consent in writing to the action and ratify such action at the next regularly scheduled meeting of the Board. Within seventy-two (72) hours or as soon as practicable, but no later than the next Regular Business Meeting, the President shall report to the General Membership any actions or expenditures that were taken as a result of the Emergency Meeting.

SECTION 12. Quorums required for conducting all meetings except Emergency Meetings:

1. Annual Meetings: at least ten percent (10%) of the General Members must be present.
2. Regular Business Meetings: at least six (6) members of the Board of Directors must be present.
3. Regular Business Meetings requiring actions by the General Membership: at least ten percent (10%) of the General Membership must be present.
4. Special Meetings of the Board of Directors: at least six (6) members of the Board of Directors must be present.

SECTION 13. Place of Meetings. Meetings of the HOME ASSOCIATION including the Annual Membership Meeting, the Regular Business Meetings, Special Meetings, and Emergency Meetings will be held at such place as may be fixed from time to time by the Board of Directors; provided, however, that if the President determines it is not feasible to hold an Emergency Meeting at the meeting place which has been determined by the Board of Directors (e.g., because of inclement weather or natural disaster) he may select a different place.

ARTICLE V. – MANAGEMENT

SECTION 1. The Board of Directors shall be the governing body of the HOME ASSOCIATION. The management of the HOME ASSOCIATION and all executive authority shall be vested in the Board of Directors. The Board of Directors shall have general supervision of the affairs of the HOME ASSOCIATION, shall exercise all executive authority through itself or through committee, and shall have full control and management of all matters as to the business, funds, and property of the HOME ASSOCIATION and all other concerns of the HOME ASSOCIATION, except when otherwise provided by these By-Laws.

SECTION 2. The fiscal year for the HOME ASSOCIATION shall begin on July 1st of each year and end on June 30th of the following year. Budgets for each Fiscal Year shall be approved at the August Regular Business Meeting each year and shall be effective July 1st for the current fiscal year.

SECTION 3. The Board of Directors shall, at the Regular Business Meetings of the HOME ASSOCIATION in June, present to the General Membership of the HOME ASSOCIATION an

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itemized budget for the next fiscal year, making appropriations for each of the several accounts for which the HOME ASSOCIATION must provide out of the monies known to be in the possession of the HOME ASSOCIATION, or estimated to come into the HOME ASSOCIATION during the ensuing fiscal year. The budget shall include actual expenditures from the two (2) previous fiscal years.

SECTION 4. The budget, either in its original or modified form, must be adopted by the General Membership of the HOME ASSOCIATION at the August meeting or the President shall call a Special Meeting within fourteen (14) days of said meeting, for the specific purpose of adopting the budget. After the adoption of the budget, all expenditures during the fiscal year must be within the approved budget. Expenditures outside of the budget that do not exceed \$500 for a specific purpose shall require a simple majority vote of the HOME ASSOCIATION'S Board of Directors.

SECTION 5. The President of the HOME ASSOCIATION is authorized to spend up to FIVE HUNDRED AND NO/100 DOLLARS (\$500.00) for emergency circumstances. The Board of Directors will be notified by the President of any such emergency expenditure within twenty-four (24) hours of same. Emergency expenditures over FIVE HUNDRED AND NO/100 DOLLARS (\$500.00) must be approved by a simple majority vote of the members of the Board of Directors. All receipts and invoices shall be presented for approval to the Board of Directors at the next Monthly Business Meeting.

ARTICLE VI. - BOARD OF DIRECTORS

SECTION 1. The Board of Directors shall consist of eleven (11) members. Five (5) of the eleven (11) members of the Board of Directors are Ex Officio Directors and are the Council's Grand Knight, Deputy Grand Knight, and three Trustees; the remaining six (6) members of the Board of Directors are Elected Directors and shall be elected from the General Membership of the HOME ASSOCIATION, at Annual Membership Meetings of the HOME ASSOCIATION, in the manner provided by the Corporation's By-Laws. All eleven (11) members of the Board of Directors are voting members.

SECTION 2. In order to provide for continuity of knowledge and efforts of the members of the Board of Directors, the terms of the six (6) Elected Directors shall be staggered. In order to accomplish such staggering, Elected Director positions shall be assigned Position Numbers by the Council's Grand Knight, running from one (1) through six (6), inclusively. At the first Annual Membership Meeting of the HOME ASSOCIATION, candidates for the Elected Director positions shall select one of the six (6) positions and run for that position. The Elected Directors elected at the first Annual Membership Meeting of the HOME ASSOCIATION whose Position Numbers are one (1) and two (2) shall serve three (3) year terms, Elected Directors whose Position Numbers are three (3) and four (4) shall serve two (2) year terms, and Elected Directors whose Position Numbers are five (5) and six (6) shall serve one (1) year terms. Thereafter, Elected Director positions will come up for election annually in sets of two: one (1) and two (2), three (3) and four (4), and five (5) and six (6); and at all successive Annual Membership Meetings of the HOME ASSOCIATION, all Elected Directors shall be elected for, and shall serve, three (3) year terms.

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SECTION 3. An Elected Director shall serve no more than two (2) consecutive terms; provided, however, after sitting out a term, a former Elected Director may again be elected to serve on the Board of Directors.

SECTION 4. A vacancy or vacancies on the Board of Directors shall occur in the event of:

1. The death or resignation of any Director;
2. The declaration by a resolution of the Board of Directors of a vacancy of the office of a Director who has been convicted of a felony criminal offense, a misdemeanor criminal offense involving moral turpitude, or declared of unsound mind by a court order;
3. The removal of a Director for fraudulent acts, pursuant to an adverse judgment in any court of competent jurisdiction;
4. The increase of the authorized number of Directors;
5. The failure of the Directors, at any meeting at which any Director or Directors are to be elected, to elect the number of Directors designated to be elected at that meeting;
6. The termination of the term of any Director who has three consecutive absences that are determined by a resolution of the Board of Directors to be unexcused;
7. Action by the Board of Directors to remove a Director with cause and by a two-thirds majority. Such action by the Board of Directors may be taken at any meeting of such Board of Directors upon the initiative of any Director, with prior notice of at least 30 days to all Directors. The proceedings of the Board of Directors in such matters shall be final and conclusive.

SECTION 5. Whenever a vacancy shall occur on the Board of Directors the office of the President shall appoint a General Member who is qualified in accordance with Article III, Section 2 to serve the remainder of the vacated term.

SECTION 6. Each past present, or future Director, Officer, or other persons described in the Texas Business Organizations Code, whether or not then in office, shall be indemnified by the HOME ASSOCIATION to the fullest extent permitted by the Texas Business Organizations Code, against any and all claims and liabilities and all expenses (including attorney's fees, expert's fees, and taxable costs of court) reasonably incurred by or imposed upon, him in connection with the defense of a claim, civil action, or proceeding, or any judgement, settlement or compromise thereof, approved by the Board of Directors to which he may be made a party by reason of any action, either by commission or omission, performed by him while acting within the course and scope of his duties as such Director or Officer, while acting in good faith and exercising the requisite "ordinary care", as that term is defined by law, excluding, however, any criminal conduct involving the violation of any criminal statute. The foregoing rights of indemnification shall not be contingent upon first prevailing at any such proceeding and shall not be exclusive of other rights to which he may be entitled as a matter of law. In the case of the death of a Director or Officer, such right of indemnification shall inure to the benefit of his estate, heirs, and beneficiaries at law.

SECTION 7. Nonprofit Directors and Officers (D&O) Liability Insurance shall be purchased to cover all directors and officers of the HOME ASSOCIATION. Said insurance may be changed at any time by The Board of Directors. Said insurance shall be furnished by an insurance company

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qualified to issue the same, approved by The Board of Directors; and the fee for such insurance shall be paid by the HOME ASSOCIATION. Said insurance is to be in the name of the HOME ASSOCIATION.

SECTION 8. The HOME ASSOCIATION shall at all times carry the required minimum coverage of:

- Commercial General Liability
 - Bodily Injury and Property Damage
 - \$1,000,000 per occurrence
 - \$2,000,000 aggregate
- Endorsement for Dram Shop Liability
 - \$250,000 per person
 - \$500,000 per accident
- Endorsement for Hired and Non-owned Automobile Liability
 - \$1,000,000 limit
- Worker's Compensation – statutory coverage in accordance with worker's compensation laws of Texas

SECTION 9. The Board of Directors shall determine if a bond is necessary in an amount deemed sufficient by the Board of Directors to cover designated officers and employees of the HOME ASSOCIATION. Said bond and the amount thereof may be changed at any time by the Board of Directors. Said bond shall be furnished by a bonding company qualified to issue the same, approved by the Board of Directors; and the fees for such bond shall be paid by the HOME ASSOCIATION. Said bond is to be made payable to the HOME ASSOCIATION.

ARTICLE VII – OFFICERS

SECTION 1. The officers of the HOME ASSOCIATION shall consist of a President, Vice President, Secretary, and Treasurer, and they shall be elected by The Board of Directors annually as designated in ARTICLE VIII, SECTION 2.

SECTION 2. The President shall preside at all meetings of the HOME ASSOCIATION. He shall plan all meetings of the HOME ASSOCIATION shall hold the officers responsible for the duties entrusted to them, and shall appoint all committee chairmen. He shall sign all checks drawn by the Treasurer and shall perform such other duties as are usually and customarily attached to the office of president.

SECTION 3. The Vice President shall have the power to perform all duties of the President in the absence of the President.

SECTION 4. The Secretary shall keep a record of the HOME ASSOCIATION meetings and shall read the minutes. He shall conduct all correspondence of the HOME ASSOCIATION and shall notify General Member of the time and place of the Annual Membership Meeting of the HOME ASSOCIATION. This notice shall be given to every General Member by either placing the notice

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in the monthly newsletter, by e-mail, or mailed to the General Member's address as it appears on the General Membership roll of the HOME ASSOCIATION. He shall receive and file the reports of all committee chairmen, sign all documents, resolutions, and papers of the HOME ASSOCIATION and perform such other duties as are usually and customarily attached to the office of secretary and those which may be delegated to him by the Board of Directors. The Secretary shall preside over and ensure the proper voting and election of Directors and Officers at the Annual Membership Meeting per these By-Laws.

SECTION 5. The Treasurer shall maintain custody of all monies and securities of the HOME ASSOCIATION and shall keep vouchers for all disbursements. He shall pay all obligations of the HOME ASSOCIATION after they have been authorized by the Board of Directors, and shall present a written report of the financial condition which includes a profit and loss statement at the Regular Business Meetings. . Copies of the financial reports shall be retained by the Secretary and become a permanent part of the meeting minutes. All monies shall be deposited by the Treasurer in the name of the HOME ASSOCIATION in such bank as the Board of Directors shall select. He shall file tax returns and pay all taxes of the HOME ASSOCIATION. He shall also perform such other duties as are usually attached to the office of treasurer and those which may be delegated to him by the Board of Directors.

ARTICLE VIII - ELECTIONS

SECTION 1. At all successive Annual Membership Meetings following the first Annual Membership Meeting of the HOME ASSOCIATION, the General Members of the HOME ASSOCIATION shall elect two (2) Elected Directors as members of the Board of Directors by secret ballot to succeed the two (2) Elected Directors whose terms have expired. The President shall appoint two General Members who are not candidates to act as tellers. After all General Members of the HOME ASSOCIATION have voted, the ballot shall be declared closed; one of the tellers shall examine each ballot separately and pass it to his associate who shall read the name or names thereon, the Secretary shall tally the same, from which tally list the President shall announce the results to the General Membership, and shall declare the candidates receiving a simple majority of the votes cast duly elected. In case of a tie during any election, the choice shall be determined by a runoff election.

SECTION 2. Immediately subsequent to the election, the Board of Directors shall, among and from themselves, elect by simple majority persons to the following positions: President, Vice President, Secretary, and Treasurer. No person may hold two offices at the same time.

ARTICLE IX - COMMITTEES

SECTION 1. The President shall appoint for terms of one (1) year, not less than three (3) General Members to the following standing committees:

1. Audit Committee
2. Governance Committee

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The Board of Directors may from time to time direct the President to form other committees.

SECTION 2. Audit Committee. At the first Monthly Business Meeting after his election, the President shall appoint an Audit Committee, consisting of three (3) non- Board of Director General Members, to hold office for one (1) year. It shall engage a Certified Public Accountant (CPA), who shall be approved by a simple majority vote of the Board of Directors, to audit, by “January 31st” and “July 31st”, all books and financial records of the HOME ASSOCIATION, its officers and any committee. Said CPA shall submit promptly a report in writing, setting forth the result of the audit, which shall include a schedule containing the budget of the HOME ASSOCIATION and the expenditures under each item of said budget, to the Audit Committee. The committee shall transmit a copy of the report to the HOME ASSOCIATION no later than thirty (30) days after completion of the audit for appropriate action by the HOME ASSOCIATION. The committee shall also act in such other matters of finances as the Board of Directors may from time to time direct.

SECTION 3. Governance Committee. The President shall appoint a Governance Committee comprised of three (3) Board of Directors members to oversee the governance of the HOME ASSOCIATION. The purpose of the Governance Committee shall be to guide the internal business processes of the Board of Directors and to ensure compliance with the By-Laws. To accomplish this purpose the Governance Committee shall have the following key responsibilities:

1. periodically review the By-Laws and recommend necessary amendments;
2. recruit and nominate potential new Board of Director members;
3. serve as the Nominating Committee for Board of Director officer positions;
4. periodically confirm the eligibility for General Membership of members of the HOME ASSOCIATION;
5. annually review whether the HOME ASSOCIATION is being operated in furtherance of its purpose, as stated in ARTICLE II of its By-Laws; and
6. such other duties as may be designated by the President from time to time.

ARTICLE X - PROCEDURE

SECTION 1. The Revised Edition of Robert's Rules of Order shall be authority for procedure in conducting all meetings of the HOME ASSOCIATION, when not in conflict with the provisions of these By-Laws.

ARTICLE XI - RECORDS

SECTION 1. All books and records of the HOME ASSOCIATION shall be open to inspection by the General Membership with 30 days written notice to the Secretary; provided, however, all books and records shall not be copied, reproduced, or photographed and any discussions regarding the contents of the records shall be kept in confidence within the General Membership.

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ARTICLE XII - MISCELLANEOUS

SECTION 1. Amendments. These By-Laws may be amended at any Regular Business Meeting or Special Meeting of the HOME ASSOCIATION by a 2/3 vote of the General Membership present provided the amendment has been submitted and read at a previous Regular Business Meeting.

SECTION 2. Parliamentarian. The President shall appoint a member of the HOME ASSOCIATION to act as the Parliamentarian at meetings of the HOME ASSOCIATION and the Board of Directors. The member so appointed shall not be an elected member of the Board of Directors, and he shall not have a vote in the matters of the Board. It shall be the duty of the Parliamentarian to advise the President on points of parliamentary law in accordance with Robert's Rules of Order, latest edition, and also give such advice to the HOME ASSOCIATION and the Board of Directors when requested.

SECTION 3. Governing Law. These By-Laws shall be governed and construed by the laws of the state of Texas.

SECTION 4. Electronic Voting. At the discretion of the President of the Board of Directors or his designee, an email vote of the members of the Board of Directors may be called to approve a measure previously discussed at the Regular Business Meeting or Special Meeting. A simple majority of the Board of Directors must approve the measure to pass. Copies of the emails of the members voting will be retained by the Secretary.

SECTION 5. Procedures. All points which may arise not specifically covered by the statutes of the State of Texas covering HOME ASSOCIATIONS or by these By-Laws, will be governed by Robert's Rules of Order, latest edition.

SECTION 6. Seal. The HOME ASSOCIATION shall have a seal consisting of a circle with a star in the center on which shall be inscribed THE NORRIS G. SCHEXNIDER, SR. MEMORIAL HOME ASSOCIATION.

SECTION 7. In the event of dissolution of the HOME ASSOCIATION, after payment of all liabilities of the HOME ASSOCIATION, its surplus property, whether real or personal, shall become the property of Father Frank Jones Knights of Columbus Council 11866, or be donated to a Catholic organization recognized by the Internal Revenue Service as a tax-exempt under Section 501 (c)(3) of the Internal Revenue Code (or the corresponding section of any future United States revenue law), as the Board of Directors of the HOME ASSOCIATION shall determine by a simple majority of all Board of Directors.

SECTION 8. The governing language for the construction of these By-Laws is English.

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SECTION 9. These By-Laws were adopted by a vote of the HOME ASSOCIATION on the ___ day of _____, 2017.

PRESIDENT, NORRIS G. SCHEXNIDER, SR. MEMORIAL HOME ASSOCIATION