

**REVISED BY-LAWS**  
**OF**  
**KEY ALLEGRO CANAL AND PROPERTY OWNER'S ASSOCIATION**

**ARTICLE I**~~Article I~~

The Key Allegro Canal and Property Owner's Association is ~~hereby~~ established as a Corporation. These revised Bylaws have been lawfully adopted by said Association.

The purpose of the Association shall be to administer the community affairs of Key Allegro Island and the business affairs of the Association. These include but are not limited to the maintenance of canals and public areas, security, safety, beautification, and ~~social compatibility of~~ other services provided by the Association.

Membership of the Association is defined as follows, consisting of three ownership categories, and, in no way will be restricted to any race, creed or color.

Category A Persons owning a lot or lots or any part of a lot or lots, adjoining a canal or a waterway and situated on Key Allegro Island. Ownership of such shall constitute automatic membership.

Category B All other property owners on Key Allegro Island except those in Category C.

Category C Members of the Key Allegro Condominium Council of Co-Owners Association.

~~Article II~~

**ARTICLE II**

**MEETINGS**

1. PLACE. The annual meeting of members shall be held at the Key Allegro Community Center, Rockport, Texas, or such other place as the ~~directors~~Directors may designate by notice given in accordance with paragraph 3 of this Article II.

2. DATE OF ANNUAL MEETING. The annual meeting of members shall be held on the last Saturday in February of each year.

3. SPECIAL MEETINGS. Special meetings of the members may be called by the ~~board~~Board of ~~directors~~Directors, or not less than 10% of the ~~paid-up~~ members then current in all dues and/or assessments (Members). No question may be voted upon at a special meeting of

the members unless the notice of such meeting states that one of the purposes of such meeting will be to act upon such question, or unless such meeting is attended ~~by all~~ in person or by proxy by a majority of the members entitled to vote upon such question and all of the members present vote that such question may then be voted upon at such special meeting.

4. NOTICE OF MEETING. Written or ~~printed~~ electronic notice stating the place, day and hour of the meeting and in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be ~~delivered~~ given not less than ten, nor more than fifty days before the date of the meeting, either personally, by electronic mail, or by U.S. mail, by or at the direction of the president, the secretary or the officer or person or persons calling the meeting, to each ~~member of record~~ Member entitled to vote at such meeting; at the time of sending of the notice, if no other record date is established by the Board of Directors. Notice approved by the Board and published in a newsletter mailed to the residents is also sufficient. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at the member's address as it then appears on the records of the ~~corporation~~ Association, with postage prepaid thereon; if delivered personally, when delivered to the last known place of residence of such Member; of if delivered by electronic mail, when sent to the Member's last known email address (together herein, "Delivery"). If there is more than one owner of a lot, notice to any one owner is sufficient.

5. VOTING LIST. The secretary ~~or treasurer~~ of the ~~corporation~~ Association shall make, at least ten days before each meeting of members, a complete and current list of all ~~paid-up members~~ Members arranged in alphabetical order, with the address of and the number of lots as aforesaid owned by each, which list for a period of ten days prior to such meeting shall be kept on file at the registered office of the ~~corporation~~ Association and shall be subject to inspection by any member at any time during usual business hours.

6. QUORUM. Sixty ~~paid-up voting units~~ Members, represented in person or by proxy; ~~A voting unit is a member owning one lot; a member owning two lots is two voting units. A condominium owner is one half a voting unit, shall constitute a quorum for the purpose of conducting the business of the association.~~

7. VOTING.

(a) Each ~~paid-up member~~ Member shall be entitled to one vote for each full lot owned. If a lot is owned in any form of joint or ~~multiple co-~~ ownership, only one vote may be cast by the combined owners. ~~Members with delinquent accounts will not be entitled to vote at any meeting of the membership. A condominium owner Member shall have one-half a vote. It shall not be the responsibility of the Association to verify which co-owner is authorized to cast the vote by the other co-owners, and the Association shall accept the vote of the person casting the vote in person or by proxy.~~

(b) Each ~~member~~ Member of the Key Allegro Condominium Council of Co-Owners Association shall be entitled to one-half a vote.

(c) A ~~paid-up member~~ Member may vote ~~the qualified voting units~~ either in person or by proxy executed in writing by the member or their duly authorized attorney in fact.

The ~~form of proxy statement~~ to be used for voting purposes shall be the preferred proxy statement form issued by the Directors of the Key Allegro Canal Owner's Association, unless that form is unavailable. The Secretary shall decide the validity of any proxy if a challenge to the proxy is received prior to a vote. Challenges to proxies received after a meeting is concluded shall not be considered unless a majority of the Board of Directors so votes. No proxy shall be valid after five months from the date of its execution; however, a proxy shall be valid for any continuation of a meeting for which the proxy was expressly given. Each proxy shall be revocable unless expressly provided therein to be irrevocable, and in no event shall it remain irrevocable for a period of more than five months.

(d) At all meetings of ~~members~~Members, all ~~questions~~issues on which a vote is required, except those expressly governed by statute, the Charter of the Corporation, these By-Laws or the Deed Restrictions ~~of Units I through V,~~ shall be decided by a simple majority of the ~~voting units~~votes present in person or by proxy. All voting shall be by voice, except upon the determination of the presiding officer, a show of hands ~~is~~may be required. A ~~secret~~vote by written ballot may be demanded by any ~~member or by their proxy~~two members, or by the presiding Officer. The Officers or Board members present shall tally the votes. The presiding officer shall announce the result. Ballots shall be destroyed by the Secretary after the meeting is adjourned.

8. PROCEDURE. Robert's Rules of Order will be followed at all meetings, provided, however, failure to follow said rules shall not invalidate any otherwise lawful vote or action.

### ARTICLE III~~Article III~~

#### DIRECTORS

1. MANAGEMENT. The business and affairs of the ~~corporation~~Association shall be managed by a ~~board of directors~~Board of Directors. The Board of Directors shall be regarded as the control group and have decision making authority for any litigation involving the Association. The Board of Directors may appoint an executive committee for such purpose.

2. NUMBER. The number of ~~directors~~Directors which shall constitute the whole ~~board~~Board shall be not less than five, nor more than eleven, as determined by the Resolution of the ~~board of directors~~Board of Directors. The number may be changed by said Board from time to time upon a majority vote thereof. Directors shall be Members of the Association

3. TERM OF OFFICE. All ~~directors~~Directors will be elected to serve a term of three years. A Director may be elected to serve more than one term, but shall not serve more than two terms consecutively.

4. REMOVAL. Any ~~director~~Director may be removed from a position as ~~director~~Director, either with or without cause, at any special meeting of ~~members~~Members if notice of intention to act upon the question of removing such ~~director~~Director shall have been stated as one of the purposes for the calling of such meeting.

5. FILLING OF VACANCY. Any vacancy occurring in the ~~board~~Board of ~~directors~~Directors shall be filled at the next meeting of the ~~board~~Board of ~~directors~~Directors following the occurrence of such vacancy. Such vacancy shall be filled by the affirmative vote of a majority of the remaining ~~directors~~Directors though less than a quorum. A ~~director~~Director elected to fill a vacancy shall be elected for the unexpired term of ~~the predecessor in such directorship.~~vacancy. All vacancies occurring by reason of an increase in the number of the ~~board~~Board of ~~directors~~Directors shall be filled at the meeting of the ~~board~~Board of ~~directors~~Directors at which such increase is authorized or if the increase is authorized by the members, at the first meeting of the ~~board~~Board of ~~directors~~Directors immediately following such meeting of members. Failure to timely fill a vacancy shall not be cause for challenging otherwise lawful action of the Board, unless such vacancy shall continue for more than two consecutive meetings of the Board. Only Members may challenge action of the Board.

6. QUORUM. A majority of the number of ~~directors~~Directors shall constitute a quorum for the transaction of business. The act of the majority of the ~~directors~~Directors present at a meeting at which a quorum is present shall be act of the ~~board~~Board of ~~directors~~Directors unless otherwise specifically required by law or these by-laws.

7. REGULAR MEETINGS. A regular meeting of the ~~board~~Board of ~~directors~~Directors shall be held without other notice than ~~this by law~~these Bylaws immediately after and at the same place as the annual meeting of the ~~members~~Members. The ~~board~~Board of ~~directors~~Directors may provide, by resolution, the time and place, either within or without the State of Texas, for the holding of additional regular meetings of the Board of Directors without other notice than such resolution.

8. SPECIAL MEETINGS. Special meetings of the ~~board~~Board of ~~directors~~Directors may be called by or at the request of the president or any two ~~directors~~Directors. Notice of the call of a special meeting shall be in writing and ~~delivered~~Delivered for transmission to each of the ~~directors~~Directors not later than during the third day immediately preceding the day for which such meeting is called. Notice of any special meeting may be waived in writing signed by the person or persons entitled to such notice; such waiver may be executed at any time before or after the time herein specified for the giving of such notice but not later than the time specified in such notice for the holding of such special meeting. Attendance of a ~~director~~Director at a special meeting shall constitute a waiver of notice of such special meeting, except where a ~~director~~Director attends a meeting for the express purpose of objecting to the transaction of any business or the meeting not lawfully called or convened.

9. NO STATEMENT OF PURPOSE OF MEETING REQUIRED. Neither the business proposed to be transacted, nor the purpose of any regular or special meeting of the ~~board~~Board of ~~directors~~Directors need be specified in the notice or waiver of notice of such meeting.

## ARTICLE IV~~Article IV~~

### OFFICERS

#### ~~1. MEMBERS~~

1. OFFICERS. The officers of the ~~corporation~~Association shall be a president, one or more vice-presidents (the number thereof to be determined by the ~~board~~Board of ~~directors~~Directors), a treasurer, and a secretary, and such assistant treasurers, assistant secretaries or other officers as may be elected by the ~~board of directors~~Board of Directors. Officers shall be elected from the sitting Board of Directors. Any two or more offices may be held by the same person, except the president and secretary shall not be the same person.

2. ELECTION AND TERM OF OFFICE. All officers elected by the ~~board~~Board of ~~directors~~Directors shall serve for a term of one year or until the successor is elected, whichever is later, and shall be elected at the annual meeting of ~~directors~~Directors immediately following the annual meeting and then at every annual meeting thereafter.

3. VACANCIES. A vacancy in any office because of death, resignation, removal disqualification or otherwise, may be filled by the ~~board~~Board of ~~directors~~Directors for the unexpired portion of the term.

4. PRESIDENT. The president shall be the principal executive officer of the ~~corporation~~Association and shall in general supervise and control all of the business and affairs of the ~~corporation~~Association. The president shall preside at all meetings of the ~~members~~Members and of the ~~board~~Board of ~~directors~~Directors. The president shall sign, with the secretary or an assistant secretary, membership cards, any deeds, mortgages, bonds, contracts, or other instruments which the ~~board~~Board of ~~directors~~Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the ~~board~~Board of ~~directors~~Directors to some other officer or agent of the ~~corporation~~Association, or shall be required by law to be otherwise signed or executed; and in general the president shall perform all duties incident to the office of president and such other duties as may be prescribed by the ~~board~~Board of ~~directors~~Directors from time to time.

5. VICE PRESIDENTS. In the absence of the president or in the event of the president's inability or refusal to act, the vice-president (or in the event there be more than one vice-president, the vice-presidents in the order designated, or in the absence of any designation, then in the order of their election) shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. Any vice-president shall perform such other duties as from time to time may be assigned to the vice president by the president or by the ~~board~~Board of ~~directors~~Directors.

6. TREASURER ~~If required. by the board of directors, the~~ The treasurer shall not be required to give a bond for the faithful discharge of the duties ~~in such sum and with such surety or sureties as the board of directors shall determine~~of this office. The treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the ~~corporation~~Association from any source whatsoever, and deposit all such moneys in the name of the ~~corporation~~Association in such banks, trust companies or other depositories as shall be selected by the ~~board~~Board of ~~directors~~Directors; (b) in general perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to the treasurer by the ~~board of directors~~Board of Directors. The Board of Directors may authorize employment of an outside accounting firm to assist the treasurer.

~~The treasurer shall keep assets and monies collected as well as expenses incurred by the Key Allegro Canal Owner's Association separate and identified as such from all other assets, liabilities and expense details.~~

7. SECRETARY. The secretary shall: (a) keep the minutes of the ~~members~~Members' and of the ~~board~~Board of ~~directors~~Directors meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these ~~by-laws~~Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the corporation ~~and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these by-laws~~(if any); (d) keep a register of the post-office address of each member; (e) sign with the president certificates of membership in the ~~corporation~~Association; (f) in general, perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to the secretary by the president or by the ~~board~~Board of ~~directors~~Directors.

8. ASSISTANT TREASURERS AND ASSISTANT SECRETARIES. ~~The assistant treasurers shall respectively, if required by the board of directors, give bonds for the faithful discharge of their duties in such sums and with such sureties as the board of directors shall determine.~~ The assistant secretaries as ~~thereunto~~ authorized by the ~~board~~Board of ~~directors~~Directors may sign with the president certificates of membership in the ~~corporation~~Association. The assistant treasurers and assistant secretaries, in general, shall perform such duties as shall be assigned to them by the treasurer or the secretary, respectively, or by the president or the ~~board~~Board of ~~directors~~Directors

## ARTICLE V~~Article V~~

### CONTRACTS, LOANS, CHECKS AND DEPOSITS

1. CONTRACTS. The ~~board~~Board of ~~directors~~Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the ~~corporation~~Association, and such authority may be general or confined to specific instances.

2. LOANS. No loans shall be contracted on behalf of the ~~corporation~~Association and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the ~~board~~Board of ~~directors~~Directors. Such authority may be general or confined to specific instances.

3. CHECKS, DRAFTS, ETC. All checks, drafts or other order for the payment of money, notes or other evidences of indebtedness issued in the name of the ~~corporation~~Association, shall be signed by such officer or officers, agent or agents of the ~~corporation~~Association, and in such manner as shall from time to time be determined by resolution of the ~~board~~Board of ~~directors~~Directors.

4. DEPOSITS. All funds of the ~~corporation~~Association not otherwise employed shall be deposited from time to time to the credit of the ~~corporation~~Association in such banks, trust companies, or other depositories as the ~~board~~Board of ~~directors~~Directors may select.

5. AUDIT. An annual compilation, review, or audit (“audit”) including verification of all cash balances, will be made by an independent auditor at the end of every fiscal year and the results reported to the membership at the following meeting; provided, however, the Board of Directors may elect to postpone or cancel commissioning the annual audit in any year, unless two or more Members of the Board of Directors request that the annual audit be conducted. A majority of the Board of Directors may commission an audit at any time. The form of audit requested and selection of the auditor shall be determined by the Board of Directors.

## ARTICLE VI~~Article VI~~

### ASSESSMENTS

1. The ~~board~~Board of ~~directors~~Directors shall assess the Category A members of the ~~corporation~~Association, from time to time in such a manner as they shall determine, such sums as may be necessary:

(a) ~~A.~~ To maintain all canals and waterways ~~designated on the~~of Key Allegro ~~plats~~over which the Association has jurisdiction in good, sanitary and navigable condition. These shall include all named canals, and any portions of all adjacent waterways which are not under the control of any public authorities. Keep all such canals and waterways dredged to a depth of six feet below the mean tide level (or the original project depth - whichever is less), and to the original project width of the waterway. ~~Observe existing good engineering practice as it may change from time to time;~~

(b) ~~B.~~ To maintain the other community affairs of the island and the business affairs of the Association. Such assessment shall be made on a per lot basis, each lot bearing a proportionate part of such cost of maintenance. The ~~corporation~~Association shall possess ~~a~~lien rights against all such lots ~~to pay for~~ the amount of each such assessment ~~as provided in the agreement by and between the corporation and Key Allegro Development & Sales Company.~~ Such ~~lien shall not secure nor be applicable to any assessments in excess of \$50.00 per year, except that such~~ liens shall also secure and be applicable to the payment of all interest (18% per year), court and collection costs, and attorneys’ fees lawfully then or thereafter due in connection with such assessment. The Board of Directors may annually increase the assessment and the lien in their discretion up to 5% more than the previous year without approval from the Members. Such limitation ~~of \$50.00 per year~~ may at any time be increased more than 5% over the prior year by the written consent ~~of the owners of not less than 2/3rds of the lots on the canals, or vote at an annual meeting or special meeting called therefore by 2/3<sup>rd</sup> of the Members of the Association~~ and when so increased, all Category A members ~~whether giving their written consent or not,~~of the Association shall be bound thereby.

2. The ~~board~~Board of ~~directors~~Directors shall assess Category B members of the ~~Corporation~~Association their share of a sum deemed sufficient to maintain the other community affairs of the island.

3. The dues for Category C members will be a lump sum annual payment at the rate of ½ the dues for Category B members per unit.

~~2. — LIEN FOR UNPAID ASSESSMENTS. The Association shall place a lien against the respective properties for any unpaid assessments.~~

#### ARTICLE VII~~Article VII~~

### THE TRANSFER OF MEMBERSHIP

1. All persons purchasing ~~lots adjoining canals as aforesaid shall automatically become Category A members of the association and any member conveying all such lots owned by member~~property in Key Allegro shall acquire the same membership classification as was possessed by the Seller, who shall be deemed to have transferred the membership to the purchasers thereof and who shall no longer be a member of the ~~corporation~~Association.

#### ARTICLE VIII~~Article VIII~~

### SEAL

1. The corporate seal (if any) of the corporation shall bear the name of the corporation and be of the design as per the imprint in the margin hereof.

#### ARTICLE IX~~Article IX~~

### AMENDMENT OF BY-LAWS

1. These ~~By-Laws~~Bylaws may be altered, amended or repealed at the annual ~~members~~Members' meeting or a special ~~members~~Members' meeting as provided in Article II, at which a quorum is present, by an affirmative vote of two-thirds of the ~~voting units~~Members present or represented by proxy. Written notice of the proposed alternations, ~~amendment~~amendments or repeal will be included in the notice of such meeting given to all ~~members~~Members, as provided in paragraph 4, Article II. Provided, however, that Article VI ~~must~~may only be amended in accordance with the provisions thereof. Proposed amendments may be presented by the Board of Directors or by not less than ten percent of the ~~paid-up members~~Members.

#### ARTICLE X~~Article X~~

### USE OF CANALS AND PROPERTIES

(Not applicable to Key Allegro Condominium Owners  
except for paragraph 4 and 9)

1. Building and Remodeling Plans. In addition to submitting a copy of the building or remodeling plans and specifications to the ~~Key Allegro Canal Owners Association and the Key Allegro Property Owners~~ Association prior to commencing construction or remodeling of any permanent improvement on said lot or canal, a building permit fee shall be paid if the plans are approved and the building permit issued. The fee for a permit is Twenty-Five Dollars (\$25.00) for the first Ten Thousand Dollars (\$10,000.00), and One Dollar (\$1.00) per thousand for all costs of the construction, remodeling, or altering of the dwelling over Ten Thousand Dollars (\$10,000.00).

A. A non-refundable fee of ~~\$50.00~~100.00 shall be charged for any ~~variance requested~~request to make any changes to any improvements in Key Allegro not in compliance with applicable deed restrictions, these Bylaws, or any regulations passed by the Architectural Control Committee or the Board of Directors (“variance”), whether or not such variance is approved. All applications shall clearly so state if a variance is requested or required. No variance shall be deemed approved by non-action.

B. The ~~interior~~ canals are primarily for the use of the members of the Association as a means of maintaining their boats at their residences, for boating pleasure, and as an outlet to ~~Little Bay and Aransas Bay~~other waters. In order that the canals may be so used to the best advantage for such purposes, without infringing one right over the other more than is necessary, the following rules shall apply:

(1) No pier or dock may be constructed or maintained which extends more than five (5) feet into the canal from the edge of the bulkhead except in Unit I, where no dock may extend more than three (3) feet into the canal. In other units, if it does not interfere with other owners or navigation, the Board or Architectural Control Committee may approve parallel docks extending up to 15 feet from the rear property line, and in the case of angled docks, 18 feet from the rear property line. Two foot walkways around boat lifts may be approved. Fish cleaning stands, gazebos, and similar structures, including their roofs, may not extend into setbacks.

(a) Prior to the construction of, or addition to any pier, dock, or tie-off piling, it will be necessary to secure a permit from: the ~~Key Allegro Canal Owners~~ Association. A fee will be charged for the permit and inspection.

(2) In addition to a pier or dock constructed under the foregoing paragraphs, property owners may erect marine tie-off ~~piling~~pilings at their canal location. These ~~piling~~pilings shall be located to not interfere with marine navigation and may not be erected to limit or interfere with a fifty (50) foot wide passageway down the center of the canal. In no circumstance shall the piling extend more than twenty five (25) feet into the canal from the bulkhead. No boat or other object shall project beyond the piling toward the center of the canal. The pilings shall have nighttime navigational reflectors facing up and down the canal. All such docks and pilings shall be positioned and aligned to stay within the extended property line or set back provided below as are applicable to said lot, and to keep all boats when moored within said lines. Side property lines shall be considered to extend into the canal, and all pilings, docks, piers, and boats shall never be positioned so as to encroach or block others from use of

their areas. Side fencing going to the rear property line shall taper down in height to not more than 4 feet in the last 10 feet to enhance the views available to adjacent owners.

(3) It is recognized that special problems are presented as to the lots at the ~~dead~~closed end of the canals. No person, other than the respective owners of such lots, has any interest therein pertaining to navigation, ingress or egress. The owners of such lots by agreement should be able to locate pilings in such manner that each will have access to the property by boat. In the event of disputes, the ~~board~~Board of ~~directors~~Directors of the Association shall have the power to determine the location and the number of pilings that may be erected. In any event, no pier, dock, or piling shall be erected or maintained which will block a member from access to the owner's lot by boat.

(4) No member, or any other person, shall operate a boat on the canals at a speed which will produce a wake of sufficient sign to disturb or rock boats moored in the canals, and in no event at a speed in excess of five (5) miles per hour. The Association may levy fines of \$50.00 for each offense after the first warning has been given.

(5) Piling supported cradle lifts may be used in the following manner; the beam parallel to the bulkhead shall be no more than thirty-six (36) inches above the original bulkhead elevation. All lifts shall be parallel to the bulkhead unless, in the Architectural Control Committee's sole discretion it is found that the specific bulkhead width is not sufficient to permit the post cradle lifts to be built so that no portion of said lifts shall be nearer than five (5) feet from the side property line. Two foot wide walkways shall be permitted only when attached to the cradle lift. All corner posts or pilings must be equipped with reflectors at least three (3) feet above the bulkhead elevation. Pilings in the cradle lift structures may only extend into the interior canal the distance allowed by the by-laws or deed restrictions from the side wall, for that unit.

(6) Boat ramps for the dry storage of small boats may be constructed not to extend more than ½ the distance into the canal to the tie-off pilings in said canal or ten (10) feet whichever is ~~least~~less.

(7) No covered stalls of any type shall be constructed in the canals.

(8) No docks or pilings or boat ramps shall be built or installed closer than five (5) feet to the adjacent property line extension into the canal without written permission of the owner of said adjacent property and a copy of such permission shall be presented with the request for a permit to install such structure, which shall be considered a variance.

(9) Permanent or transitory living of over 1 calendar month ~~aboard~~on board any boat, barge, houseboat or other floating device in any of the canals of Key Allegro Isle is prohibited.

(10) Any TV satellite receiver's furthest extremities constructed on any of the lots shall comply fully with all of the setback requirements of the subdivision and

the clearance provisions of the subdivision. This also includes any other miscellaneous surface apparatus.

(11) Wherever in the subdivision's deed restrictions, reference is made to house trailers ~~and/or~~ mobile ~~home, let it be known that~~ homes, this description ~~will be interpreted by the Architectural Control Committee to include~~ includes motor homes or such other vehicles as are considered to be recreational vehicles.

(a) No unconcealed house trailer, mobile home, motor home, or such other vehicles as are considered recreational vehicles may be left on or adjacent to a property ~~in Units I, II, III and V~~ for more than 730 days.

(12) All residential exterior lighting must be shielded in such a way as to not present a glare nuisance to the adjacent residential properties or across canals and public ~~right~~ rights-of way.

(13) Underwater canal and bay lighting is limited to low voltage systems approved by Underwriter's Laboratories and connected to a GFCI (ground fault circuit interrupt). A building permit must be obtained prior to the installation of underwater lighting within the canals.

(14) Any trailers left parked on any vacant lots where they can be viewed from a public right-of-way is strictly prohibited, provided that owners of Key Allegro lots may park their personal trailer or vehicle on their vacant lot for a period not to exceed 30 continuous days. The violation of this provision shall constitute a public nuisance which may be abated by an injunction brought by the Key Allegro Canal and Property Owners Association or by any owner within the subdivision. ~~Owners of Key Allegro lots MAY park their personal trailer or vehicle on their vacant lot.~~

(15) All marine and land based construction (~~docks~~ houses, garages, piers, docks, pilings, walkways and, bulkheads, etc.) shall be properly maintained and kept free from hazardous defects. ~~The Key Allegro Canal Owners, debris, and trash. Any owner in violation may be fined after one warning. The Board shall have discretion to set the fine, which shall not exceed \$100.00 per violation. Owners are responsible for their tenants and visitors. The~~ Association shall have the privilege and right, but neither the duty nor the liability, of curing any default of the owner of such property in connection with the foregoing maintenance and all reasonable expense incurred in making such repairs shall be paid by the owner of such property. In the event of failure of the owner to reimburse the Association for any reason, a lien therefore may be placed on the lot by the Association as provided in Article 6 above.

(16) Any use of a building, structure, or land which was a legal and conforming use prior to the date of the passage of any regulations by the Architectural Control Committee or the Board of Directors, and which is not thereafter in conformity shall be treated as a permissible nonconforming use. ~~In the event until such time as~~ the use ceases to exist or is abandoned for a period of ~~one year~~ more than 60 days, the property shall lose its classification as a permissible nonconforming use and shall thereafter be deemed a violation of

the regulations. Whether a nonconforming use exists shall be question of fact and shall be decided by the ~~Architectural Control Committee~~Board of Directors after notice to the property owner of ~~an informal~~ hearing.

2. No Waiver. Failure of the Association or any of its committees to take action at any time or from time to time shall not be considered a waiver of the right to enforce any Deed Restriction, Bylaw or regulation issued by this Association.

## ARTICLE XI~~Article XI~~

### CHANNELS AND WATERWAYS TO ARANSAS BAY

It shall be the duty of the ~~board~~Board of ~~directors~~Directors to insure proper maintenance of the existing channels, waterways and the rights of ingress and egress of property owners to Aransas Bay by any means which they deem necessary, including direct negotiations with the Aransas County Navigation District.

## ARTICLE XII~~Article XII~~

### INDEMNIFICATION

Except to the extent that such liability or damage or injury is covered by insurance proceeds received, the ~~board of directors may authorize~~Board of Directors shall cause the Association to pay expenses and defense costs incurred by, or to satisfy a judgment or ~~fine~~fine rendered or levied against, a present or former ~~director~~Director, officer, committee member or employee of the Association in ~~an any~~ action brought by a third party against such person, whether or not the Association is joined as a party defendant, seeking damages, injunction, or to impose a liability or penalty on such person for actions or omissions while a director serving as a Director, officer, committee member or employee, provided, the ~~board~~Board of ~~directors~~Directors determines ~~in good faith~~ that such ~~director~~Director, officer or employee was acting in good faith within what was reasonably believed to be the scope of the employment or authority and for a purpose which was reasonably believed to be in the best interests of the Association or its members. Payments authorized hereunder include amounts paid and expenses incurred in settling any such action or threatened action. The provisions of this paragraph shall apply to the estate, executor, administrator, heirs, legatees or devisees or a ~~director~~Director, officer, committee member or employee, and the term "person" where used in the foregoing paragraph shall include the estate, executor, administrator, heirs, legatees or devisees of such person.

Notwithstanding the provisions of the preceding paragraph, no person shall be entitled to indemnification pursuant thereto in relation to any matter in which indemnification is not permitted by law.

## ARTICLE XIII~~Article XIII~~

### COMMITTEES

1. ARCHITECTURAL CONTROL COMMITTEE. ~~This permanent committee, chaired by a director appointed by the president, will be staffed by an outside paid consultant in addition to the eleven directors. As detailed in the Deed Restrictions, and subsequent clarifications duly filed in the Aransas County courthouse, persons planning new construction, remodeling an existing structure, including the placing of pilings, erecting docks or boat lifts on their property and in the canal or waterway adjacent, will obtain a building permit to be issued by this committee prior to commencing construction. An applicable fee will be paid.~~ The Architectural Control Committee shall be comprised of three to five Board members, any three of whom shall constitute a quorum, and shall be chaired by one of these Board members, and may be staffed by an outside paid consultant in addition to the Directors serving on it. The Board of Directors shall appoint the members of this and all other committees.

2. ~~A~~ NOMINATING COMMITTEE. ~~The Nominating committee will be named~~ appointed by the president ~~at each November board meeting, if not sooner; the~~ The committee will consist of ~~at least~~ a minimum of three persons, at least two of ~~which~~ whom will be ~~directors~~ Directors. The committee will present their suggestions for new Board members to the ~~board~~ Board no later than at each January ~~board~~ Board meeting, ~~if not sooner,~~ and the ~~board~~ Board will accept, reject, or add to the nominations by a majority vote. The persons nominated in this manner will be advertised to the Association membership in the annual meeting announcement and voted upon therein. This committee and the procedures outlined will not preclude persons being nominated by ~~an Association member in good standing~~ any Member at the annual meeting ~~prior to the election of directors~~ of Members.

3. OTHER COMMITTEES. At the discretion of the Board, ~~the~~ additional committees ~~will~~ may be established at the annual organizational ~~board~~ Board meeting, all chaired by a ~~director~~ Director, to be appointed by the president. The committees will reflect the ~~board~~ Board's priority interests, and may or may not include the following:

- ~~(a)~~ a-Beach Erosion
- ~~(b)~~ b-Developed Property
- ~~(c)~~ c-Streets and Signs
- ~~(d)~~ d-Deeds and Restrictions
- ~~(e)~~ e-Canals and Fishing
- ~~(f)~~ f-Allegro House and Swimming Pool
- ~~(g)~~ g-Community Property
- ~~(h)~~ h-Undeveloped Property
- ~~(i)~~ i-Newsletter
- ~~(j)~~ j-Welcome

ADDITIONAL RULES COVERING  
KEY ALLEGRO ISLAND ESTATES SUBDIVISIONS  
UNIT I THROUGH UNIT V

THE STATE OF TEXAS — §

COUNTY OF ARANSAS — §

~~WHEREAS, the subdivisions restrictions grant to the Architectural Control Committee authority to make additional rules and regulations with respect to the lots in the subdivisions, the activities being conducted thereon, and the improvements to be constructed thereon not inconsistent with the subdivision restrictions; and~~

~~WHEREAS, the functions of the Architectural Control Committee are now being exercised by the Key Allegro Canal Owners Association and the Key Allegro Property Owners Association; and~~

~~WHEREAS, the Board of Directors of such Associations deem it important that the following additional rules and regulations be adopted in order to maintain and preserve the subdivisions in accordance with the best interests of the owners of property therein, and in order to clarify language due to problems that have arisen since the adoption of the original subdivision restrictions:~~

~~NOW, THEREFORE, the Board of Directors adopt the following:~~

~~I.~~

~~In Units I and II there is adopted the following paragraph as a next to the last paragraph in such restrictions, as follows:~~

~~“BUILDING AND REMODELING PLANS. In addition to submitting a copy of the building or remodeling plans and specifications to the Key Allegro Canal Owners Association and the Key Allegro Property Owners Association prior to commencing construction, a building permit fee shall be paid if the plans are approved and the building permit issued. The fee for a permit is Twenty five Dollars (\$25.00) for the first Ten Thousand Dollars (\$10,000.00), and One Dollar (\$1.00) per thousand for all costs of the construction, remodeling, or altering of the dwelling over Ten Thousand Dollars (\$10,000.00).”~~

~~H.~~

~~A. — In Unit III the next to the last paragraph which reads, “A water tap fee in the amount of Seventy five Dollars (\$75.00) payable to Key Allegro Water Company and a building permit fee payable to Key Allegro Development and Sales Company will be required prior to the construction of any residential dwelling. The cost of such building permit will be Twenty five Dollars (\$25.00) for the first \$10,000.00 of construction cost plus One Dollar (\$1.00) for each additional \$1,000.00.”, is amended as set out hereinafter in subparagraph C of this paragraph.~~

~~B. — In Unit IV the next to the last paragraph which reads, “A building permit fee payable to Key Allegro Development and Sales Company will be required prior to the construction of any residential dwelling. The cost of such building permit will be Twenty five Dollars (\$25.00) for the first \$10,000.00 of construction cost plus One Dollar (\$1.00) for each additional \$1,000.00.”, is amended as set out hereinafter in subparagraph C of this paragraph.~~



Document comparison by Workshare Professional on Tuesday, February 08, 2011  
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