

**BYLAWS OF
OAKWOOD CREEK ESTATES
PROPERTY OWNERS' ASSOCIATION**

These Bylaws govern the affairs of OAKWOOD CREEK ESTATES PROPERTY OWNERS' ASSOCIATION, a nonprofit corporation.

**ARTICLE I
NAME AND OFFICES
Corporate Name**

§1. The name of the corporation is OAKWOOD CREEK ESTATES PROPERTY OWNERS' ASSOCIATION hereinafter referred to as the "Association".

Principal Office

§2. The Association's principal office in Texas will be located at 310 Jamison Drive, Angleton, Texas 77515. The Association may have such other offices, in Texas or elsewhere, as the Board of Trustees may determine. The Board may change the location of any office of the Association.

Registered Office and Registered Agent

§3. The Association will maintain a registered office and registered agent in Texas. The registered office may, but need not, be identical with the Association's principal office in Texas. The Board may change the registered office and the registered agent as permitted in the Texas Non-Profit Corporation Act.

Meeting Place

§4. Meetings of members and trustees shall be held at a public place within the boundaries of OAKWOOD CREEK ESTATES as may be designated and directed by the Board of Trustees. Meeting will be allowed off site in cases of special circumstances.

ARTICLE II DEFINITIONS

§1. "Association" shall mean and refer to OAKWOOD CREEK ESTATES PROPERTY OWNERS' ASSOCIATION, a Texas Non-Profit Corporation, its successors and assigns.

§2. "Properties" shall mean and refer to that certain property described in the Declaration of Restrictions for OAKWOOD CREEK ESTATES PROPERTY OWNERS' ASSOCIATION, SECTIONS 4, 5 and 6, a subdivision in Brazoria County, Texas, and any additional sections of OAKWOOD CREEK ESTATES as presently, or hereafter, platted into subdivisions known as OAKWOOD CREEK ESTATES.

§3. "Lot" and/or "Lots" shall mean and refer to a plot of land subject to the jurisdiction of the Association as is more fully specified in the said Declaration of Restrictions.

§4. "Owner" shall mean and refer to the record owner of a fee, undivided fee interest or a purchaser thereof under a contract of sale, whether one or more persons or entities, of any Lot which is a part of the Properties subject to a maintenance charge capable of being assessed by the Association, but excluding those having such interest merely as security for the performance of any obligation and those having only an interest in the mineral estate.

§5. "Declarant" shall mean and refer to OAKWOOD CREEK ESTATES PROPERTY OWNERS' ASSOCIATION, a non-profit corporation under the laws of the State of Texas.

§6. "Declaration" shall mean and refer to the Declaration of Restrictions for OAKWOOD CREEK ESTATES, SECTIONS 4, 5 and 6, and all additional sections presently, or hereafter, platted as sections of OAKWOOD CREEK ESTATES.

ARTICLE III
MEMBERS
Membership

§1. Every person or entity who is an owner of a fee, an undivided fee interest, or a purchaser thereof under a contract of sale of any property which is subject to the maintenance charge assessment by the OAKWOOD CREEK ESTATES PROPERTY OWNERS' ASSOCIATION, each such person or entity being hereinafter referred to as "Owner", shall be a member of the OAKWOOD CREEK ESTATES PROPERTY OWNERS' ASSOCIATION. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation or hold only a mineral interest in the property. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of the property which is subject to assessment by the Association. Ownership of such property shall be the sole qualification for membership.

Honorary Membership

§2. The Board of Trustees of the Association shall have the right to elect honorary members of the Association, provided that the number of honorary memberships shall not exceed five (5) at any one time. Each honorary member shall be elected for a term of one (1) year, and the same person or persons may be re-elected to hold honorary membership for successive years. All facilities of the Association shall be extended to the honorary members and their immediate families. Honorary members shall not have any voting rights.

Class of Members

§3. The Association will have one class of members.

Membership Fees and Dues

§4. The Board may set and change the amount of the maintenance fee, if any, payable to the Association by members. Dues are payable by the last day of each fiscal year. *[Note: At the time of the enactment of these Bylaws, the fiscal year is January 1st to December 31st].* The dues for a new member's first year will be prorated from the first day of the month in which the member is admitted to membership through the end of the fiscal year. A member is responsible for any maintenance fees owed the Association when the member purchases or otherwise obtains ownership of the property which gives rise to their membership.

Voting Rights

§5. Each member is entitled to one vote for each lot owned by the member at the time of the meeting where the vote is taken. When more than one person holds such interest in any Lot, only one (1) person shall be deemed a member. The vote for such Lot shall be exercised as they determine amongst themselves, but in no event shall more than one (1) vote be cast with respect to any lot.

Transferring Membership

§6. Membership in the Association is transferable only upon transfer of the fee interest in the property.

ARTICLE IV MEETINGS OF MEMBERS Annual Meetings

§1. The regular annual meeting of the members of the Association shall be held on the second Saturday in September of each year beginning in 2002, at 10:00 a.m., with the location to be determined at a later date. If such date for the annual meeting of the members is a legal holiday in Texas, the meeting will be held at the same hour on the first Saturday following which is not a legal

holiday. At the annual meeting, the members will elect trustees and transact any other business that may come before the meeting. If, in any year, the election of trustees is not held on the day designated for the annual meeting, or any adjournment of the annual meeting, the Board will call a special meeting of the members, as soon as possible, to elect trustees.

Special Meetings

§2. Special meetings of the members may be called by the President, the Board of Trustees or upon the written request of the members who are entitled to vote one-tenth (1/10th) of all of the votes entitled to be cast at such meeting.

Notice of Meetings

§3. Written or printed notice of any members' meeting, including the annual meeting, shall be given by, or at the direction of, the President or the Secretary or any person or persons authorized to call a meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days, but not more than sixty (60) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such members to the Association for the purpose of the notice. The record date for determining the members entitled to notice of any meeting of members will be February 1st of each year. After fixing the record date, the Board will cause to be prepared an alphabetical list of all members entitled to notice of any meeting of the members. Such notice shall specify the place, day and hour of the meeting, and the purpose of the meeting.

Eligibility to Vote at Members' Meetings

§4. A member in good standing is entitled to vote at a meeting of the members of the Association. A member in good standing is one who has paid all required maintenance fees and is

not otherwise suspended as of the date of the notice of the meeting. The record date for determining the members entitled to notice at any meeting of members will be January 31st of each year. After a record date is fixed, an alphabetical list of members entitled to receive notice, including their addresses and number of votes each is entitled to cast, will be prepared. The list will contain a listing of all members entitled to vote at the meeting but not entitled to receive notice and will be available for inspection at the principal office of the Association from two business days after notice is given until the meeting is held. Any member entitled to vote at the meeting is entitled access to the list for the purpose of communicating with other members. The member or the member's agent or attorney may make the inspection on written demand and copy the list at a reasonable time and at the member's expense.

Quorum

§5. The presence at a meeting of members holding one-tenth (1/10th) of the total votes entitled to be cast, represented in person or by proxy, shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or by these Bylaws. The members present at a duly called or held meeting at which a quorum is present may continue to transact business, even if enough members leave so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of members required for a quorum. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat, shall have the power to adjourn the meeting, and reschedule, without notice, other than announcement at the meeting. The vote of the majority of the votes entitled to be cast by the members present or represented by proxy at a meeting at which a quorum is present, shall be the act of the members meeting unless the vote of a greater number as required

by law, the Articles of Incorporation, the Declaration, or these Bylaws.

Actions of Membership

§6. The membership will try to act by consensus. However, if a consensus is not available on a matter or proposal, the vote of a majority of voting members in good standing, present and entitled to vote at a meeting at which a quorum is present, is enough to constitute the act of the membership unless law or these Bylaws require a greater number. Voting will be by ballot or voice, except that any election of trustees will be by ballot if demanded by any voting member at the meeting before the voting begins.

Proxies

§7. A member entitled to vote at a meeting may do so in person or by proxy. All proxies must be in writing, bear the signature of the member giving the proxy, or by his duly authorized attorney-in-fact, and must specify the date on which they are executed. No proxy shall be valid after three (3) months from the date of its execution. Each proxy shall be revocable unless expressly provided therein to be irrevocable. Use of proxies are further governed by ARTICLE XVII, §3.

Voting by Mail

§8. The Board may authorize members to vote by mail on the election of Trustees or on any other matter that the members may vote on.

Rules of Orders

§9. Roberts Rules of Order (latest revised edition) will be the controlling procedure for all meetings.

ARTICLE V
BOARD OF TRUSTEES
Management of Association
Board of Trustees

§1. The affairs of this Association shall be managed by a Board of Trustees, and such officers and agents as said Board may employ.

Number, qualifications, and Tenure of Trustees

§2. The number of trustees will be at least three and not greater than nine. Trustees need not be Texas residents. Trustees will be members in good standing of the Association. Each trustee will serve for a term of two (2) years. The trustees' terms will be staggered so that the terms of approximately half of the trustees will begin in even-numbered years; the terms of the remaining trustees, in odd-numbered years. Each trustee shall hold office until the next annual meeting of the members at the end of their two year term and until his/her successor shall have been elected and accepted the office, or the position otherwise filled. The number of trustees will be determined at the annual meeting. The number of trustee positions can be decreased only at the expiration of a trustee's term of office.

Nominating Trustees and Electing Trustees

§3. At any meeting at which the election of a trustee is held, any voting member in good standing may nominate a person, with the second of any other voting member in good standing.

Election

§4. Any member, in good standing, and who has been duly nominated may be elected as a trustee. Election to the Board of Trustees shall be by secret written ballot or any method agreed to by a majority of those voting. At such election the members or their proxies may cast, in respect of

each vacancy, as many votes as they are entitled to cast under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. In case of a tie, the winner shall be determined by lot or coin flip as the presiding officer may choose. Cumulative voting shall not be permitted. Trustees will be elected at the annual meeting of the members. Each trustee will hold office until a successor is elected and qualified. A trustee may be elected to succeed himself or herself as trustee but may not serve more than four years out of every six years.

Vacancies

§5. The Board will fill any vacancy in the Board and any trustee position to be filled due to an increase in the number of trustees. A vacancy is filled by the affirmative vote of a majority of the remaining trustees, even if it is less than a quorum of the Board, or if it is a sole remaining trustee. A trustee selected to fill a vacancy will serve for the unexpired term of his or her predecessor in office.

Resignation

§6. Any trustee may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Removal

§7. Any trustee may be removed from the Board, with cause, by a majority vote of the members of the Association present at any meeting entitled to vote. "Cause" is not definitively defined, but can be non-exclusively defined as committing a prohibitive act as set forth in the Bylaws. A meeting to consider removing a trustee may be called and noticed and proceed, following the

procedures provided in these Bylaws for a special meeting of the members of the Association. The notice of the meeting will state that the issue of removal of a trustee will be on the agenda and notice will state the proposed cause for removal. At the meeting, the trustee may present evidence and witnesses of why he or she should not be removed and may be represented by an attorney at and before the meeting. Also at the meeting, the Association will consider possible arrangements for resolving the problems that are in the mutual interest of the Association and the Trustee.

Compensation

§8. No trustee shall receive compensation for any service he or she may render to the Association; provided, however, any trustee may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.

ARTICLE VI MEETING OF TRUSTEES Annual Meeting

§1. The annual meeting of the Board of Trustees may be held without notice other than these Bylaws. The annual Board meeting shall be held on the Monday, first following the annual meeting of the members, with the location to be determined at a later date.. If such date for the annual meeting of the Board is a legal holiday in Texas, the meeting will be held at the same hour on the first Monday following which is not a legal holiday.

Regular Meetings

§2. Regular meetings of the Board of Trustees shall be held monthly, at a Board Member's Residence, or as otherwise specified by the Board at its previous meeting. Notice of the meeting shall be otherwise posted, along with the proposed agenda. Any such posting is not mandatory for the meeting to proceed.

Special Meetings

§3. Special Board meetings may be called by, or at the request of, the President or any two trustees. The person or persons calling a special meeting will inform the Association's Secretary as to the information to be included in the notice of the meeting. The Secretary of the Association will give notice to the trustees as these Bylaws require. Special meetings shall be held at a location to be determined at a later date, unless circumstances require designation of an alternative location off the Oakwood Creek Estates premises.

Notice

§4. Notice of any special meeting of the Board of Trustees shall be given at least three (3) days prior to the meeting, pursuant to ARTICLE XVI.

Quorum

§5. The presence of three trustees or a majority of the number of trustees then in office constitutes a quorum for transacting business at any Board meeting. The trustees present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough trustees leave the meeting so that less than a quorum remains. However, no action may be approved without the affirmative vote of at least two (2) trustees. Every act of, or decision done or made by, a majority of the trustees present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board, unless the act of a greater number is required by law. For the purpose of determining a quorum, a trustee who is represented by valid proxy is deemed present. If a quorum is never present at any time during a meeting, a majority of the trustees present may adjourn and reconvene the meeting once without further notice.

Proxy

§6. A trustee may attend and vote by proxy. All proxies must be in writing, must bear the signature of the trustee giving the proxy, and must bear the date on which the proxy was executed by the trustee. Each proxy shall be revocable and may not be made irrevocable. No proxy is valid after three (3) months from the date of its execution. Use of a proxy is further governed by ARTICLE XVII §3.

Informal Action by Trustees

§7. Any action required by law to be taken at a meeting of the Board of Trustees, or any action which may be taken at a meeting of the Board, may be taken without a meeting if consent is in writing setting forth the action to be taken, shall be signed by all the trustees entitled to vote with respect to the subject matter thereof. Such consent shall have the same force in any articles or documents.

Duties of Trustees

§8. Trustees will discharge their duties, including any duties as committee members, in good faith, with ordinary care, and in a manner they reasonably believe to be in the Association's best interest. In this context, the term "ordinary care" means the care that ordinarily prudent persons in similar positions would exercise under similar circumstances. In discharging any duty imposed or power conferred on trustees, trustees may, in good faith, rely on information opinions, reports, or statements, including financial statements and other financial data, concerning the Association or another person that has been prepared or presented by a variety of persons, including officers and employees of the Association, professional advisors or experts such as accountants or legal counsel. A trustee is not relying in good faith if he or she has knowledge concerning a matter in question that

renders reliance unwarranted.

Trustees are not deemed to have the duties of trustees of a trust with respect to the Association or with respect to any property held or administered by the Association, including property that may be subject to restrictions imposed by the donor or transferor of the property.

Duty to Avoid Improper Distributions

§9. Trustees who vote for or assent to improper distribution are jointly and severally liable to the Association for the value of improperly distributed assets, to the extent that, as a result of the improper distribution or distributions, the Association lacks sufficient assets to pay its debts, obligations, and liabilities. Any distribution made when the Association is insolvent, other than in payment of corporate debts, or any distribution that would render the Association insolvent, is an improper distribution. A distribution made during liquidation without payment and discharge of a provision for payment and discharge of all known debts, obligations, and liabilities are also improper. Trustees present at a Board meeting at which the improper action is taken are presumed to have assented, unless they dissent in writing. The written dissent must be filed with the Secretary of the Association before adjournment of the meeting in question or mailed to the Secretary by registered mail immediately after adjournment.

A trustee is not liable if, in voting for or assenting to a distribution, the trustee: (1) acts in good faith and with ordinary care on information, opinions, reports, or statements, including financial statement and other financial data, prepared or presented by one or more officers or employees of the Association, legal counsel, public accountants, or other persons as to matters the trustee reasonably believes are within the person's professional or expert competence; or a committee of the Board of which the trustee is not a member; (2) while acting in good faith and with ordinary care considers the

Association's assets to be at least that of their book value; or (3) in determining whether the Association made adequate provision for paying, satisfying, or discharging all of its liabilities and obligations, relied in good faith and with ordinary care on financial statements or other information concerning a person who was or became contractually obligated to satisfy or discharge some or all of these liabilities or obligations. Furthermore, trustees are protected from liability if, in exercising ordinary care, they act in good faith and in reliance on the written opinion of an attorney for the Association.

Trustees held liable for an improper distribution, are entitled to contribution from persons who accepted or received the improper distributions knowing they were improper. Contribution is in proportion to the amount received by each such person.

Interested Trustees

§10. Contracts or transactions between trustees, officers, or members who have a financial interest in the matter are not void or voidable solely for that reason. Nor are they void or voidable solely because the trustee, officer, or member is present at or participates in the meeting that authorizes the contract or transaction, or solely because the interested party's votes are counted for the purpose. However, every trustee with any personal interest in the transaction must disclose all material facts concerning the transaction, including all potential personal benefits and potential conflicts of interest, to the other members of the Board or other group authorizing the transaction. The transaction must be approved by a majority of the uninterested trustees or other group with the authority to authorize the transaction.

Actions of Board of Trustees

§11. The Board will try to act by consensus. However, if a consensus is not available, the

vote of a majority of trustees present in person or by proxy and voting at a meeting at which a quorum is present is enough to constitute the act of the Board, unless the act of a greater number is required by law or by some other provision of these Bylaws. A trustee who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the Board's decision. For the purpose of determining the decision of the Board, a trustee who is represented by proxy in a vote is considered present.

ARTICLE VII
POWERS AND DUTIES OF THE BOARD OF TRUSTEES
Powers

§1. The Board of Trustees shall have the power to:

- (a) Suspend the member's voting rights and the right to use any facilities or services provided by the Association during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations or for violation of laws and regulations of any governmental entity;
- (b) Exercise all powers, duties and authority vested in the Board, on behalf of the Association, which are not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;
- (c) Declare the office of a member of the Board of Trustees to be vacant in the event such member shall be absent and not represented by proxy for three (3) consecutive regular meetings of the Board of Trustees; and
- (d) Employ a manager, an independent contractor, or such other employees as it

shall deem necessary, and to prescribe their duties and the terms of employment or services.

Duties

§2. It shall be the duty of the Board of Trustees to:

- (a) Cause to be kept correct and complete books and records of account, minutes of the proceedings of the Association's members and its Board of Trustees, and to keep at the Association's registered office or principal office in this State a record of the names and addresses of its members entitled to vote and to make all books and records available for inspection by any member or their agent or attorney for any proper purpose at any reasonable time;
- (b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) Fix the amount of the annual assessment against properties subject to the jurisdiction of the Association and to take such actions as it deems appropriate to collect such assessments and to enforce the liens given to secure payment thereof.
- (d) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) Procure and maintain such liability and hazard insurance as it may deem appropriate on any property or facilities owned by the Association;

- (f) All Board members shall have equal authority except for those powers assigned to them by virtue of offices they are appointed to; and
- (g) Prepare and approve an annual budget for OAKWOOD CREEK ESTATES PROPERTY OWNERS' ASSOCIATION.

**ARTICLE VIII
OFFICERS AND THEIR DUTIES
Enumeration of Officers**

§1. The Association's officers will be a president, who shall be at all times a member of the Board of Trustees; a secretary, vice president, a treasurer and such other officers as the Board may from time to time elect or appoint. The Board may create additional officer positions, define the authority and duties of each such position, and elect or appoint persons to fill the positions. The same person may hold any two or more offices, except for president and secretary.

Election of Officers

§2. The election of officers shall take place at the first regular meeting of the Board of Trustees following each annual meeting of the members.

Special Appointments

§3. The Board may elect other officers as the affairs of the Association may require, each of whom shall hold office for such period, having such authority, and perform such duties as the Board may, from time to time, determine.

Removal and Resignation

§4. Any officer may be removed from office with or without cause by the Board whenever in the judgment of the majority of the Board members, the Association's best interests shall be served by such removal. Any officer may resign at any time by giving written notice to the Board, the

president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Vacancies

§5. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he/she replaces.

President

§6. The president is the Association's chief executive officer. He or she will supervise and control all of the Association's business and affairs and will preside at all meetings of the members and of the Board. The president may execute any deeds, mortgages, bonds, contracts, or other instruments that the Board authorizes to be executed. The president may delegate his or her authority to co-sign checks to an office manager hired by the Board. However, the president may not execute instruments on the Association's behalf if this power is expressly delegated to another officer or agent of the Association by the Board, these Bylaws, or by statute. The president will perform other duties prescribed by the Board and all duties incident to the office of president.

Vice President

§7. When the president is absent, cannot act, or refuses to act, a vice president will perform the president's duties. When acting in the president's place, the vice president has all the powers of and is subject to all the restrictions on the president.

Secretary

§8. The Secretary will:

- (a) Give all notices as provided in the Bylaws or as required by law.

- (b) Take minutes of the meetings of the members and the Board and keep the minutes as part of the corporate records.
- (c) Maintain custody of the corporate records and seal.
- (d) Affix the corporate seal to all documents as authorized.
- (e) Keep a register of the mailing address of each member, trustee, officer, and employee of the Association.
- (f) Perform duties as assigned by the president or the Board.
- (g) Perform all duties incident to the office of secretary.
- (h) All such duties may be delegated by the secretary to the office staff, under the secretary's supervision.

Treasurer

§9. The treasurer will:

- (a) Have charge and custody of and be responsible for all the Association's funds and securities.
- (b) Receive and give receipts for moneys due and payable to the Association from any source.
- (c) Deposit all moneys in the Association's name in banks, trust companies, or other depositories as these Bylaws provide or as the Board or president directs.
- (d) Write checks and disburse funds to discharge the Association's obligations. However, funds may not be drawn from the Association or its accounts for amounts greater than \$300 without the signature of the president, vice

president or office manager in addition to that of the treasurer.

- (e) Maintain the Association's financial books and records.
- (f) Prepare financial reports at least annually.
- (g) Perform other duties as assigned by the president or the Board.
- (h) Perform all of the duties incident to the office of a treasurer.
- (i) All such duties may be delegated by the treasurer to the office staff, under the treasurer's supervision.

ARTICLE IX COMMITTEES

The Board of Trustees shall appoint such committees as it deems appropriate in carrying out its purposes.

Establishing Committees

§1. The Board may adopt a resolution establishing one or more committees delegating specified authority to a committee, and appointing or removing members of a committee. A committee will include one or more trustees and may include persons who are not trustees. If the Board delegates any of its management authority to a committee, the majority of the committees will consist of trustees. The Board may also delegate to the president its power to appoint and remove members of a committee that have not been delegated any management authority of the Board. The Board may establish qualifications for membership on a committee.

Authorization of Specific Committees

§2. The following committee is authorized:

Architectural Control Committee

The Board will define the activities and scope of authority of the committee by resolution, subject to the Declaration of Restrictions.

Term of Office

§3. Each committee member will continue to serve on the committee for two years and until a successor is appointed. However, a committee member's term may terminate earlier if the committee is terminated, or if the member dies, ceases to qualify, resigns, or is removed as a member. A vacancy on a committee may be filled by an appointment made in the same manner as an original appointment. A person appointed to fill a vacancy on a committee will serve for the unexpired portion of the terminated committee member's term.

Committee Chair

§4. One member of each committee will be designated as the committee chair. The chair will be appointed by the president. The chair will call and preside at all meetings of the committee.

Notice of Meetings

§5. Written or printed notice of a committee meeting will be delivered to each member of a committee not less than seven (7) nor more than thirty (30) days before the date of the meeting. The notice will state the place, day, and time of the meeting, and the purpose or purposes for which it is called.

Quorum

§6. One-half of the number of committee members constitutes a quorum for transacting business at any meeting of the committee. The committee members present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough committee

members leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of committee members required for a quorum. If a quorum is never present at any time during a meeting, the chair may adjourn and reconvene the meeting once without further notice.

Actions of Committees

§7. Committees will try to take action by consensus. However, if a consensus is not available, the vote of a majority of committee members present and voting at a meeting at which a quorum is present is enough to constitute the act of the committee unless the act of a greater number is required by statute or by some other provision of these Bylaws. A committee member who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the act of the committee.

Proxies

§8. A committee member may not vote by proxy.

Compensation

§9. Committee members may not receive salaries for their services.

Rules

§10. Each committee may adopt its own rules, consistent with these Bylaws or with other rules that may be adopted by the Board.

§11. A committee member can be removed with or without cause by a vote of the majority of the Board of Trustees.

ARTICLE X
TRANSACTIONS OF ASSOCIATION
Contracts

§1. The Board may authorize any officer or agent of the Association to enter into a contract or execute and deliver any instrument in the name of, and on behalf of, the Association. This authority may be limited to a specific contract or instrument, or it may extend to any number and type of possible contracts and instruments.

Deposits

§2. All the Association's funds will be deposited to the credit of the Association in banks, trust companies, or other depositories that the Board selects.

Gifts

§3. The Board may accept, on the Association's behalf, any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Association. The Board may make gifts and give charitable contributions not prohibited by these Bylaws, the Articles of Incorporation, State law, and provisions set out in federal tax law that must be complied with to maintain the Association's federal and state tax status.

Potential Conflicts of Interest

§4. The Association may not make any loan to a trustee or officer of the Association. A member, trustee, officer, or committee member of the Association may not lend money to and otherwise transact business with the Association except as otherwise provided by these Bylaws, the Articles of Incorporation, and applicable law. Such a person transacting business with the Association has the same rights and obligations relating to those matters as other persons transacting business with the Association. The Association may not borrow money from or otherwise transact

business with a member, trustee, officer, or committee member of the Association unless the transaction is fully described in a legally binding instrument and is in the Association's best interests. The Association may not borrow money from or otherwise transact business with a member, trustee, officer, or committee member of the Association without full disclosure of all relevant facts and without the Board's approval, not including the vote of any person having a personal interest in the transaction.

Prohibited Acts

§5. As long as the Association exists, and except with the Board's or the members' prior approval, no member, trustee, officer, or committee member of the Association may:

- (a) Do any act in violation of these Bylaws or a binding obligation of the Association.
- (b) Do any act with the intention of harming the Association or any of its operations.
- (c) Do any act that would make it impossible or unnecessarily difficult to carry on the Association's intended or ordinary business.
- (d) Receive an improper personal benefit from the operation of the Association.
- (e) Use the Association's assets, directly or indirectly, for any purpose other than carrying on the Association's business.
- (f) Wrongfully transfer or dispose of Association property, including intangible property such as good will.

ARTICLE XI BOOKS AND RECORDS Required Books and Records

§1. The Association will keep correct and complete books and records of account. The books and records include:

- (a) A file-endorsed copy of all documents filed with the Texas Secretary of State relating to the Association, including but not limited to the Articles of Incorporation, and any Articles of Amendment, Restated Articles, Articles of Merger, Articles of Consolidation, and Statement of Change of Registered Office or Registered Agent.
- (b) A copy of all Bylaws, including these Bylaws, and any amended versions of amendments to them.
- (c) Minutes of the proceedings of the members, Board, and committees having any of the authority of the Board.
- (d) A list of the names and addresses of the members, trustees, officers, and any committee members of the Association.
- (e) A financial statement showing the Association's assets, liabilities, and net worth at the end of the three (3) most fiscal years.
- (f) A financial statement showing the Association's income and expenses for the three (3) most recent fiscal years.
- (g) All rulings, letters, and other documents relating to the Association's federal, state, and local tax status.
- (h) The Association's federal, state and local tax information or income-tax returns for each of the Association's three most recent tax years.

Inspection and Copying

§2. Any member, trustee, officer, or committee member of the Association may inspect and receive copies of all the corporate books and records required to be kept under the Bylaws. Such a person may, by written request, inspect or receive copies if he or she has a proper purpose related

to his or her interest in the Association. Requests by the same member in excess of four times a year are deemed excess and will not be honored unless good cause can be shown. He or she may do so through his or her attorney or other duly authorized representative. The inspection may take place at a reasonable time, no sooner than five days and no later than ten working days after the Association receives a proper written request. The Board may establish reasonable copying fees, which may cover the cost of materials and labor but may not exceed 50 cents per page. The Association will provide requested copies of books or records no later than thirty working days after receiving a proper written request and a deposit to cover the anticipated cost of complying with the request. No original records will be permitted to leave the corporate offices.

Audits

§3. Any member may have an audit conducted of the Association's books. That member bears the expense of the audit unless the members vote to authorize payment of audit expenses. The member requesting the audit may select the accounting firm to conduct it. A member may not exercise these rights so as to subject the Association to an audit more than once in any fiscal year.

ARTICLE XII FISCAL YEAR

§1. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year.

ARTICLE XIII ASSESSMENTS

§1. As more fully provided in the Declaration, each member is obligated to pay the Association certain annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall

be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Association may bring an action at law against the Owners personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of any of the facilities or services provided by the Association or by abandonment of his Lot.

ARTICLE XIV CORPORATE SEAL

§1. The Association shall have a seal in circular form having within its circumference the name of the Association and the word "Texas".

ARTICLE XV INDEMNIFICATION

§1. The Association will indemnify a trustee, officer, committee member, employee, or agent of the Association who was, is, or may be named defendant or respondent in any proceeding as a result of his or her actions or omissions within the scope of his or her official capacity in the Association. For the purposes of this article, an agent includes one who is or was serving at the Association's request as a trustee, officer, partner, venturer, proprietor, partnership, joint venture, sole proprietorship, trust, employee-benefit plan, or other enterprise.

The Association will indemnify a person only if he or she acted in good faith and reasonably believed that his or her conduct was in the Association's best interests. In case of a criminal proceeding, the person may be indemnified only if he or she had no reasonable cause to believe that the conduct was unlawful. The Association will not indemnify a person who is found liable to the

Association or is found liable to another on the basis of improperly receiving a personal benefit from the Association.

§2. The Association will pay or reimburse expenses incurred by a trustee, officer, committee member, employee, or agent of the Association in connection with the person's appearance as a witness or other participation in a proceeding involving or affecting the Association when the person is not a named defendant or respondent in the proceeding.

Extent and Nature of Indemnity

§3. The indemnity permitted under these Bylaws includes indemnity against judgments, penalties, (including excise and similar taxes), fines, settlements, and reasonable expenses (including attorney's fees) actually incurred in connection with the proceeding. If the proceeding was brought by or on behalf of the Association, the indemnification is limited to reasonable expenses actually incurred by the person in connection with the proceeding.

Procedures Relating to Indemnification Payments

§4. Before the Association may pay any indemnification expenses (including attorney's fees), the Association must specifically determine that indemnification is permissible, authorize indemnification, and determine that expenses to be reimbursed are reasonable, except as provided in subparagraph (c), below. The Association may make these determinations and decisions by any one of the following procedures:

- (a) Majority vote of a quorum consisting of trustees who, at the time of the vote, are not named defendants or respondents in the proceeding.
- (b) If such a quorum cannot be obtained, by a majority vote of a committee of the board, designated to act in the matter by a majority vote of all trustees, consisting solely of

two or more trustees who at the time of the vote are not named defendants or respondents in the proceeding.

- (c) Determination by special legal counsel selected by the Board by the same vote as provided in subparagraphs (a) and/or (b) or if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all trustees.
- (d) Majority vote of members, excluding trustees or other members who are named defendants or respondents in the proceeding.

§5. The Association will authorize indemnification and determine that expenses to be reimbursed are reasonable in the same manner that it determines whether indemnification is permissible.

§6. Any indemnification of expenses will be reported in writing to the Association's members. The report will be made with or before the notice or waiver of notice of the next membership meeting, or with or before the next submission to members of a consent to action without a meeting. In any case, the report will be sent within the 12-month period immediately following the date of the indemnification.

ARTICLE XVI NOTICES

§1. Any notice required or permitted by these Bylaws to be given to a member, trustee, officer, or member of a committee of the Association may be given by mail, hand delivery, e-mail or facsimile. If mailed, a notice is delivered when deposited in the mail addressed to the person at his or her address as it appears on the corporate records, with postage prepaid. If given by e-mail or facsimile, a notice is deemed delivered when transmitted to the person at his or her address as it

appears on the Association's records. A person may change his or her address in the Association's records by giving written notice of the change to the secretary of the Association.

Signed Waiver of Notice

§2. Whenever any notice is required by law or under the Articles of Incorporation or these Bylaws, a written waiver signed by the person entitled to receive such notice is considered the equivalent to giving the required notice. A waiver of notice is effective whether signed before or after the time stated in the notice being waived.

Waiving Notice by Attendance

§3. A person's attendance at a meeting constitutes waiver of notice of the meeting unless the person attends for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

ARTICLE XVII SPECIAL PROCEDURES CONCERNING MEETINGS Meeting by Telephone

§1. The Board of Trustees, and any committee of the Association may hold a meeting by telephone conference-call procedures. In all meetings held by telephone, members must be arranged in such a manner that all persons participating in the meeting can hear each other; the notice of a meeting by telephone conference must state the fact that the meeting will be held by telephone as well as all other matters required to be included in the notice; and a person's participating in a conference-call meeting constitutes his or her presence at the meeting.

Decision Without Meeting

§2. Furthermore, in accordance with the Articles of Incorporation, action may be taken without a meeting when there are signed written consents by the number of members, board

members, or committee members whose votes would be necessary to take action at a meeting at which all such persons entitled to vote were present and voted. Each written consent must be signed and bear the date of signature of the person signing it. A telegram or similar transmission by a member, trustee, or committee member, or a photographic, facsimile, or similar reproduction of a signed writing, will be treated as an original being signed by the member, trustee, or committee member.

Consents must be delivered to the Association. A consent signed by fewer than all members, trustees, or committee members is not effective to take the intended action unless the required number of consents are delivered to the Association within 30 days after the date that the earliest-dated consent was delivered to the Association. Delivery may be made to the Association's registered office, registered agent, principal place of business, or an officer or agent having custody of books in which the relevant proceedings are recorded. If the delivery is made to the Association's principal place of business, the consent must be addressed to the president or principal executive officer.

The Association will give prompt notice of the action taken to persons who do not sign consents. If the action taken requires documents to be filed with the secretary of state, the filed documents will indicate that these written consent procedures were followed to authorize the action and filing.

Proxy

§3. A person authorized to exercise a proxy may not exercise the proxy unless it is delivered to the officer presiding at the meeting before the business of the meeting begins. The secretary or other person taking the minutes of the meeting will record in the minutes the name of the person who

executed the proxy and the name of the person authorized to exercise the proxy. If a person who has duly executed a proxy and personally attends a meeting, the proxy will not be effective for that meeting. A proxy filed with the secretary of the Association or other designated officer remains in force until the first of the following occurs:

- (a) An instrument revoking the proxy is delivered to the secretary or other designated officer;
- (b) The proxy authority expires under the proxy's terms; or
- (c) The proxy authority expires under the terms of these Bylaws.

ARTICLE XVIII AMENDMENTS AMENDING BYLAWS

§1. These Bylaws may be altered, amended or repealed or new Bylaws adopted at a regular or special meeting of the members, attended by a quorum, by a vote of a majority of members present in person or by proxy who are eligible to vote. The notice of any meeting at which these Bylaws are altered, amended, or repealed, or at which new Bylaws are adopted, will include the text of the proposed bylaw provisions as well as the text of any existing provisions proposed to be altered, amended, or repealed. Alternatively, the notice may include a fair summary of those provisions.

Conflict

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

ARTICLE XIX
MISCELLANEOUS PROVISIONS
Legal Authorities Governing Construction of Bylaws

§1. These Bylaws will be construed under Texas law. All references in these Bylaws to statutes, regulations, or other sources of legal authority will refer to the authorities cited, or their successors, as they may be amended from time to time.

Legal Construction

§2. To the greatest extent possible, these Bylaws shall be construed to conform to all legal requirements and all requirements for obtaining and maintaining all tax exemptions that may be available to nonprofit Associations. If any Bylaw provision is held invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability will not affect any other provisions, and the Bylaws will be construed as if they had not included the invalid, illegal, or unenforceable provision.

Headings

§3. The headings used in the Bylaws are for convenience and may not be considered in construing the Bylaws.

Number

§4. All singular words include the plural, and all plural words include the singular.

Power of Attorney

§5. A person may execute any instrument related to the Association by means of a power of attorney if an original executed copy of the power of attorney is provided to the secretary to be kept with the corporate records.

Parties Bound

§6. The Bylaws will bind and inure to the benefit of the members, trustees, officers, committee members, employees, and agents of the Association and their respective heirs, executors, administrators, legal representatives, successors, and assigns except as the Bylaws otherwise provide.

OAKWOOD CREEK ESTATE PROPERTY OWNERS' ASSOCIATION

By: Darlene Linder
Darlene Linder
(Typed or printed name)

Its: President
(Title)

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting secretary of the OAKWOOD CREEK ESTATE PROPERTY OWNERS' ASSOCIATION and that these Bylaws constitute the Association's Bylaws. These Bylaws were duly adopted at a meeting of the membership on September 15, 2002.

OAKWOOD CREEK ESTATE PROPERTY OWNERS' ASSOCIATION

By: Dave Lzak
Dave Lzak
(Typed or printed name)

Its: Secretary
Secretary

September 6, 2003

Date

AMENDMENT TO BY-LAWS
FOR OAKWOOD CREEK ESTATES,
SECTION IV, V & VI

Page 5, Article 3

The record date for determining the members entitled to notice of any meeting of members will be August 1st of each year.