

## BY-LAWS OF THE WOODS PROPERTY OWNERS ASSOCIATION, INC.

Adopted August 6, 1991

Revised August 17, 2009

## INTENT AND PURPOSE

It is the intent and purpose of these By-Laws to establish and maintain rules of conduct conducive to a pleasant community. The rules and restrictions are to be so written as to create a desirable atmosphere on a fair and equal basis for all members. It is also the intent to comply with all ordinances, laws, and regulations both local and national and make them a part of this document. Its purpose is to eliminate all conditions or actions that create a nuisance to members of the corporation and permit all to enjoy a pleasant environment.

## ARTICLE I

Section 1. The WOODS PROPERTY OWNERS ASSOCIATION, INC. is a non-profit corporation incorporated August 9, 1984, under the Texas Non-Profit Corporation Act. The period of its duration is perpetual.

## ARTICLE II

Section 1. Membership shall be limited to those persons or entities who are record owners of a fee or undivided fee interest in any lot located within the boundaries of the property more particularly described in Exhibit A, which is attached hereto and incorporated herein for all purposes. In the event multiple dwelling units are constructed on one lot, each dwelling unit shall be considered as separate lot for the intents and purposes of these By-Laws. Such lots may presently exist or be hereafter created by a subdivision plat approved by appropriate governmental authority. The foregoing is not intended to include persons or entities who hold interest merely as security for the performance of an obligation. No owner shall have more than one membership per lot, nor shall multiple owners of one lot all be members but shall designate one of their number only. In the event such multiple owners fail to do so designate, the decision shall rest with the Board of Directors.

Membership shall be appurtenant to and may not be separated from ownership of any such lot. Ownership of such lot shall be the sole qualification for membership. Section 2. The corporation shall have four classes of voting membership:

CLASS A. Class A members shall be all those owners of single family (excluding townhouses) lots presently occupied as set out in Article II, Section 1 hereof. Class A members shall be entitled to one vote for each lot in which they hold the interest required for membership by said Article II, Section 1.

CLASS B. Class B members shall be all those owners of townhouse lots presently or previously occupied, as set out in Article II, Section 1 hereof. Class B members shall be entitled to one vote for each presently and/or previously occupied dwelling located on each lot on which they hold the interest required for membership by said Article II, Section 1.

CLASS C. Class C members shall be all those owners of lots which are not presently or previously occupied for residential purposes. They shall be entitled to the appropriate voting privileges as described in Class A or B as applicable. CLASS D. Class D members shall be all those owners of lots which have not been sold since the plat pertaining thereto was originally filed with the City of Tyler. They shall be entitled to the appropriate voting privileges as described in Class A or B as applicable.

All members of the corporation who are not Class A, Class B, Class C or Class D shall not be entitled to vote. The corporation may have such other classes of voting membership as from time to time may be established by the majority vote of the voting members at a regular or special meeting.

Section 3. The corporation may, at any time, annex additional residential and common properties and so add to its membership, provided that any such annexation shall be first approved by two-thirds (2/3) vote of all the members of the Association.

Section 4. The corporation shall issue to each member a certificate evidencing his membership rights. The Board of Directors shall prescribe the standards of conduct and duties of each member and the penalty for breach thereof, which standards shall be formulated by the Board of Directors. The Board of Directors shall publish these rules and regulations.

Section 5. Meetings of the members shall be held in the City of Tyler, Texas, or at such other place in Smith County as shall be designated in the notice of the meeting.

Section 6. An annual meeting of members shall be held at a specified place, date and time in the month of August each year. At such meeting the members entitled to vote thereat shall elect by a majority vote, persons to fill vacancies on the Board of Directors as provided in Article IV, Section 2, and transact such other business as may properly be brought before the membership. Section 7. Special meetings of the members shall be called by the Secretary at the request of the President, or any Vice-President, or not less than one-fifth (1/5) of all members entitled to vote at the meeting. Written or printed notice stating the place, day, hour and purpose for which the meeting is called, shall be delivered not less than six days before the date of the meeting either personally or by mail, by the secretary, to each member entitled to vote at such meeting. The notice for the meeting shall be drafted by the member or members requesting the meeting and, subject to conformity with the By-Laws, shall be presented to the members without change. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail, addressed to the member at his/her address as it appears on the books of the corporation, with postage prepaid thereon. Business transacted at any special meeting of the corporation shall be confined to the purposes stated in the notice thereof.

Section 8. One-tenth (1/10) of the members entitled to vote, represented in person, shall constitute a quorum at meetings of the members. If, however, a quorum shall not be present at any meeting of the members, the members present shall, by a majority vote, have the privilege of adjourning for one hour. If, after one hour, a quorum is not present, the meeting shall adjourn permanently. If after one hour, a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 9. The majority of the votes cast at a meeting at which a quorum is present shall be the act of the members meeting, unless the vote of a greater number is required by law or the Articles of Incorporation or the By-Laws.

Section 10. Each member in good standing shall be entitled to vote as set out hereinabove in Article II, Section 2, on each matter submitted to a vote at a meeting of members, except to the extent that the voting rights of the members of any class are or may hereafter be limited or denied by the Articles of Incorporation. At each election for directors, every member entitled to vote at such election shall have the right to vote as defined in Article II, Section 2, for one person for each vacancy on the Board of Directors to be elected and for whose election the member has a right to vote. No cumulative voting shall be allowed.

Section 11. A member may vote for the Board of Directors either in person or by election ballot. An election ballot shall state clearly the specific meeting at which it is to be voted. A blank election ballot form shall be obtainable from the Chairman of the Nominating Committee before the election, listing all candidates for the Board of Directors whether approved by the Nominating Committee or not, and must be filed with the Secretary at least three days prior to the scheduled meeting to be valid.

Section 12. The rights of membership herein defined are subject to the payment of maintenance assessments and other such charges levied by the corporation, as may be reasonably necessary to defray the expenses of operation and maintenance of the recreational facilities and to otherwise achieve the purposes of the corporation.

Section 13. The rights of any member may be suspended by action of the Board of Directors during the period when maintenance assessments or other charges remain unpaid, or when covenants and restrictions are in violation. Upon payment of such assessments or correction of such violation, the member's rights and privileges shall be automatically restored. Section 14. All recorded votes by members shall be by secret ballot.

### ARTICLE III

#### USE AND ENJOYMENT OF RECREATIONAL FACILITIES

Section 1. Each member entitled to vote shall be entitled to the use and enjoyment of the recreational facilities subject to such rules and regulations governing such use as may from time to time be promulgated by the Board of Directors.

Section 2. Any member entitled to vote may delegate his rights of enjoyment in the recreational facilities to the following:(a) The head of the household of each dwelling owned by the member.

(b) Spouse and all adult relatives living in each dwelling, or in the alternative, one additional adult per dwelling to be designated by the head of the household, subject to the regulations and controls as may from time to time be adopted by the Board of Directors.

(c) Any minors residing in the dwellings. The voting member shall notify the corporation in writing of the names of any such persons and of the relationship of the member to such persons. Such rights shall be subject to Article II, Section 13, plus Article III, Section 3. Section 3. If, at any time, the Board of Directors

shall have adopted and published rules and regulations governing the use of the recreational facilities, and the personal conduct of heads of household, their families, and their guests violate the aforementioned rules and regulations, they may, at their discretion, following a hearing for violation of such rules and regulations, suspend the use and enjoyment of the recreational facilities by such heads of household and/or the person committing the violation. Such suspension shall continue for a period not to exceed three (3) months for the first violation, six (6) months for the second violation, and one (1) year for any additional violation of such rules.

#### ARTICLE IV DIRECTORS

Section 1. The affairs of this corporation shall be managed by a seven (7) member Board of Directors, each of who must be members of the corporation. Section 2. At the annual meeting in August, the voting members shall elect directors for a term of two (2) years provided for hereafter. Three (3) members shall be elected one year and four (4) members shall be elected the subsequent year. Each director elected shall hold office until his successor is elected and qualified.

Section 3. Any vacancy occurring on the Board of Directors may be filled until the next annual meeting of the members by the affirmative vote of a majority of the remaining directors though less than a quorum of the Board of Directors. At the next annual meeting of the members a director shall be elected by the members to fill each vacancy for the unexpired term of the predecessor in office.

Section 4. Any director may resign at any time. At any duly called annual or special meeting of the members, any one (or more) of the directors may be removed with or without cause by the two-thirds (2/3) vote by the members present as provided in Article II, Section 2 and a successor may then and there be elected by the members to fill the vacancy thus created. Any director whose removal has been proposed by the members shall be given the opportunity to be heard at the meeting. A director may also be removed by six (6) of the remaining directors.

Section 5. The business and affairs of the corporation shall be managed by its Board of Directors which may exercise all such powers of the corporation unless limited by these By-Laws or Articles of Incorporation. The power and authority of the Board of Directors unless specifically limited by the By-Laws shall include, but shall not be limited to, the power and authority:

- (a) to establish, levy and collect any and all maintenance assessments, fees and assessments necessary to defray expenses of operation and maintenance of the recreational facilities.
- (b) to adopt and publish or cause to be published rules and regulations governing the use of the recreational facilities and the conduct of the members, heads of households, their families, and their guests.
- (c) to declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors.
- (d) to cause the proceeds of such maintenance assessments, charges and assessments to be expended for the maintenance, improvement and beautification of the recreational facilities.

(e) to update annually a plan for major maintenance of the Corporation's physical assets. A report of this plan will be presented at the Annual Meeting. The plan will delineate the schedule and funding for repetitive maintenance of the following activities:

ITEM	FREQUENCY	COST (\$K)
1. Lawn & Sprinklers	Yearly (2008)	20
2. Pool and Bath House	Yearly (2008)	5
3. Silt Ponds	One/Year (2008/2013)	10
4. Tennis Courts(Surface)	8-10 Years (2001)	10
5. Lake, Dredging	5 Years (2008)	20
6. Fountain	10 Years (2013)	20
7. Pool Surface	12-15 Years (1996)	10

Section 6. Meetings of the Board of Directors, regular or special, must be held within Smith County.

Section 7. The annual meeting of the Board of Directors shall be held on the first Saturday following the annual homeowners meeting in August of each year, unless such day is a legal holiday, in which case the meeting shall be held at a specified time with ten (10) days thereafter. At such meeting, the directors shall elect, by majority vote, the officers as set forth in Article VI hereof, and may transact such business as may properly be brought before the meeting.

Section 8. Regular meetings of the Board of Directors, other than annual, shall be held at least quarterly at such time and at such place as shall from time to time be determined by the Board of Directors, provided notice of such meetings shall be published and delivered to the membership at least ten (10) days before the meetings. The annual meeting shall be the regular meeting for the quarter in which it falls.

Section 9. Special meetings of the Board of Directors may be called by the President of the Board of Directors or shall be called by the Secretary on the written request of two directors. Written notice of special meetings of the Board of Directors shall be given to each director at least three (3) days before the date of the meeting. The business transacted at any regular or special meeting of the Board of Directors shall not be limited to those matters specified in the agenda given to each director at least three (3) days prior to the meeting.

Section 10. A majority of the directors shall constitute a quorum for the transaction of business, and the act of the majority of the directors present at a meeting in which a quorum is present shall be the act of the Board of Directors, unless a greater number is required by the Articles of Incorporation or elsewhere in these By-Laws. If a quorum shall not be present at any meeting of the Board of Directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 11. The Board of Directors, by resolution adopted by a majority of the members of the board, may appoint committees, whose members need not be directors, as deemed appropriate in carrying out its purposes. Such standing committees shall operate under a written charter approved by the Board of

Directors. The charters shall specify the composition of the standing committee, rules governing meetings and the duties of the standing committees. The Board of Directors may not delegate its ultimate responsibilities for managing the corporation. The President of the corporation shall not be a voting member of any standing committee except the Executive Committee but shall be an ex-officio member of all other committees.

Section 12. Before the annual August meeting, the Board of Directors shall appoint a nominating committee of two board members and three members at large who shall nominate candidates for the board. The names of the candidates for directorship shall be submitted to the Nominating Committee on or before forty (40) days before the election. The committee shall notify all members of its recommendations thirty (30) days before the election. Members may submit names of candidates to the Secretary, other than those submitted by the Nominating Committee, at least twenty (20) days prior to the election. Upon approval of a majority vote of the members present at the meeting, additional nominations may be made from the floor.

#### ARTICLE V BOARD OF DIRECTORS NOTICES

Section 1. Notices to all directors shall be in writing, shall specify the time and place of the meeting and shall be delivered personally or mailed to the directors at their addresses appearing on the books of the corporation. Notice by mail shall be deemed to be given at the time when same shall be mailed.

Section 2. Whenever any notice is required to be given to any director under the provisions of the statutes or of the Articles of Incorporation or of these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

Section 3. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

#### ARTICLE VI OFFICERS

Section 1. The officers of the corporation shall consist of a President, one or more Vice-Presidents, a Secretary, and Treasurer, each of whom shall be elected by the Board of Directors.

Section 2. The Board of Directors, at its first meeting after the annual August meeting of members, shall elect such officers as prescribed in the preceding section.

Section 3. Such other officers and assistant officers and agents as may be deemed necessary may be elected or appointed by the Board of Directors.

Section 4. The officers of the corporation shall be exempt from established monthly maintenance assessments for one lot during the period they are serving in office to cover automobile and other indirect expenses incurred, except that they shall not be exempt from special assessments. All other

officers of the corporation shall serve without salary or other remuneration, except where they are requested to be a temporary paid employee, advisor or consultant of the corporation on approval of the Board of Directors.

Section 5. The officers of the corporation shall hold office until their successors are chosen and qualify. Any officer or agent or member of a standing committee elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any vacancy occurring in any office of the corporation by death, resignation, and removal or otherwise shall be filled by the Board of Directors as subject to Article IV, Section 3, if applicable.

#### PRESIDENT

Section 6. The President shall be the chief executive officer, and shall preside at all meetings of the members and Board of Directors, and shall have such other powers and duties as usually pertain to such office or as may be delegated by the Board of Directors. The President shall have such powers and duties as usually pertain to such office, except as the same may be modified by the Board of Directors. Unless the Board of Directors shall otherwise delegate such duties, the President shall give general and active management of the business of the corporation, and shall see that all orders and resolutions of the Board of Directors are carried into effect.

Section 7. The President, upon approval of the board, shall execute bonds, mortgages and other contracts, except where signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the corporation. The President shall also execute, with the prior approval of the Board of Directors, all conveyances of lands, bonds, mortgages, notes, securities and other documents, except where required by law or otherwise to be signed and executed by all members of the board, and except in instances where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the board.

#### VICE-PRESIDENT

Section 8. There shall be a maximum of four (4) Vice-Presidents including, but not limited to, the following titles and responsibilities:

Vice-President, Recreational Facilities and Security

Vice-President, Lake and Common Area

Vice-President, Architectural Control

Vice-President, Social and Recreational Activities

Each Vice-President shall serve as chairman of their respective committee. In the event of absence or disability of the President, a Vice-President will be selected by the remaining members of the Board of Directors to serve as President and perform the duties and exercise the powers of the President.

#### SECRETARY

Section 9. The Secretary shall keep the minutes of all meetings of the Board of Directors and cause them to be published in a newsletter distributed to the homeowners. The Secretary shall perform such other duties and have such other powers as the Board of Directors shall prescribe. In the event of the Secretary's absence from a meeting of the Board or of the inability to perform the duties of that office, the President may designate a temporary substitute.

#### TREASURER

Section 10. The Treasurer shall be the custodian of all books and records of the corporation. The Treasurer shall cause to be prepared and published in a regularly published newsletter to the homeowners prior to each annual meeting of the homeowners, a financial report and budget, in such form and containing such information as may from time to time be directed by the Board of Directors. The Treasurer shall have prepared such other financial records and reports as may be requested by the Board of Directors. The Treasurer shall keep and retain all funds and properties of the corporation in such depositories as may be designated by the Board of Directors. In the event of the Treasurer's absence from a meeting of the board or the inability to perform the duties of that office, the President may designate a temporary substitute.

#### ARTICLE VII INDEMNIFICATION OF OFFICERS AND DIRECTORS

Any and all of this corporation's directors or officers or former directors or officers shall be indemnified against expenses actually and necessarily incurred by them in connection with the defense of any action, suit or proceeding in which they, or any of them, are made parties, or a party, by reason of being or having been directors or officers of this corporation, except in relation to the matters as to which any such director or officer or former director or officer or person shall be adjudged in such action, suit, or proceeding to be liable for gross negligence or willful misconduct in the performance of duty. The foregoing right to indemnity shall include reimbursement of the amounts and expenses paid settling any such action, suit or proceeding, when settling or a plea of no lo contendere appears to be in the interest of the corporation. Such indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any By-Laws, agreement, and vote of members or otherwise.

#### ARTICLE VIII FINANCIAL PROVISIONS

Section 1. The sole power to establish, levy, and collect any and all maintenance assessments, fees and assessments necessary to defray expenses of operation and maintenance of the recreational facilities shall be vested in the Board of Directors.

Section 2. Modifications in existing maintenance assessments, fees, and assessments shall be provided by written notice to all members thirty (30) days before they become effective.

Section 3. Maintenance assessments that relate to the general upkeep, maintenance and improvement will be determined by the Board of Directors as follows:

Class A will be determined by the Board of Directors and will serve as the reference maintenance assessments for determining maintenance assessments for all other members. All other members of the corporation will pay maintenance assessments as will be determined by the Board of Directors, but at a rate not less than 25% of the reference maintenance assessment of Class A members, provided, however, that the maintenance assessment will be uniform for all members of the same class.



Section 4. The corporation may incur accounts payable and accrued liabilities for salaries, property taxes, and other expenses related to the normal operation of the facilities. The President may authorize an emergency expenditure of up to \$500 without approval of the Board of Directors; however, such expenditure shall be reviewed with the Board at its next meeting. The corporation will not incur outstanding debt or long term leases in excess of \$2500 that is not secured by one or more depository accounts or similar money instruments, unless such debt or long term lease has been approved by a two-thirds (2/3) majority vote of the voting members for specified purposes.

Section 5. Significant expenditures for capital additions to the facilities of the corporation shall be submitted to the members for ratification and approved by a two-thirds (2/3) majority vote of the voting members as provided in Article II, Section 2 for specific purposes. For specific purposes, while a precise definition of a "significant expenditure for a capital addition" is not contained herein; expenditures for new tennis courts, additional swimming pools; major modifications or additions to the club facilities that require the commitment of funds, etc., are deemed to meet the

definition, while funds required for the maintenance, and minor improvements of present facilities are deemed not to meet the definition. To this regard: a. The membership of the corporation delegates to the Board of Directors the duty to determine with their best judgment those expenditures that per this section require membership ratification. B. The Board of Directors shall publish procedures for guiding members and committees of the board to submit, after board approval, expenditures as defined in the section to the property owners for ratification. Such procedures shall require that:

- i. A detailed description of the capital addition be prepared.
- ii. An investigation of applicable zoning restrictions and
- iii. The findings of the Architectural Control Committee be
- iv. The proposed source and amount of initial expenditures potential conflicts with nearby homeowners be investigated. Presented, if applicable. Required and projected maintenance expenditures to be determined.

#### ARTICLE IX GENERAL PROVISIONS

Section 1. All checks or demands for money and notes of the corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 2. The fiscal year of the corporation shall be October 1 through September 30 each year.

Section 3. Any action required by law, the Articles of Incorporation or these By-Laws to be taken at a meeting of the Board of Directors of the corporation, or any action which may be taken without a meeting if a consent in writing setting forth the action to be taken shall be signed by all the directors, or the committee, as the case may be. Such consent shall have the same force and effect as a unanimous vote and may be stated as such in any articles or document filed with the Secretary of the State or any other governmental agency.

Section 4. The Board of Directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these By-Laws, to enter into any contract or

execute and deliver any instrument in the name of and on behalf of the corporation and such authority may be general or confined to specific instances.

Section 5. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer and countersigned by the President or a Vice-President of the corporation.

Section 6. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may select. The corporation may invest in fully guaranteed U.S. Government obligations.

Section 7. The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the corporation.

#### ARTICLE X AMENDMENTS

The power to adopt, alter, amend or repeal the By-Laws of the corporation shall require a two-thirds (2/3) vote by the voting members present in person at a special or regular meeting, as provided in Article II, Sections 6 and 7.

#### ARTICLE XI DISSOLUTIONS

Section 1. The corporation may be dissolved only with the assent given in writing and signed by two-thirds (2/3) of the members of the corporation. Written notice of the proposal to dissolve, setting forth the reasons therefore and the disposition to be made of the assets shall be given to every member by the President at least ninety (90) days in advance of any action taken.

Section 2. Upon dissolution of the corporation, the assets both real and personal of the corporation shall be dedicated to an appropriate public agency to be devoted to purposes that as nearly as practical be the same as those which they were required to be devoted by the corporation. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to purposes and uses that would most nearly reflect the purposes and uses to which they were required to be devoted by the corporation.

#### ARTICLE XII MERGERS

To the extent permitted by law, the corporation may participate in mergers and consolidations with other non-profit corporations organized for the same purposes, provided that any such merger or consolidation shall have the assent of two-thirds (2/3) of the total vote of all members of a quorum, voting in person at a meeting duly called for this purpose, written notice of which shall be given to members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

#### ARTICLE XIII RULES OF ORDER

The rules as contained in current Roberts Rules of Order, Revised should govern the corporation in all cases in which they are applicable, and in which they are not inconsistent with the Articles of Incorporation, By-Laws, or other regulations of this corporation.

Page 1 of 13BY-LAWS OF THE WOODS PROPERTY OWNERS ASSOCIATION, INC. Adopted August 6, 1991  
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Page 2 of 13CLASS A. Class A members shall be all those owners of single family (excluding townhouses) lots presently occupied as set out in Article II, Section 1 hereof. Class A members shall be entitled to one vote for each lot in which they hold the interest required for membership by said Article II, Section 1. CLASS B. Class B members shall be all those owners of townhouse lots presently or previously occupied, as set out in Article II, Section I hereof. Class B members shall be entitled to one vote for each presently and/or previously occupied dwelling located on each lot on which they hold the interest required for membership by said Article II, Section 1. CLASS C. Class C members shall be all those owners of lots which are not presently or previously occupied for residential purposes. They shall be entitled to the appropriate voting privileges as described in Class A or B as applicable. CLASS D. Class D members shall be all those owners of lots which have not been sold since the plat pertaining thereto was originally filed with the City of Tyler. They shall be entitled to the appropriate voting privileges as described in Class A or B as applicable. All members of the corporation who are not Class A, Class B, Class C or Class D shall not be entitled to vote. The corporation may have such other classes of voting membership as from time to time may be established by the majority vote of the voting members at a regular or special meeting. Section 3. The corporation may, at any time, annex additional residential and common properties and so add to its membership, provided that any such annexation shall be first approved by two-thirds (2/3) vote of all the members of the Association. Section 4. The corporation shall issue to each member a certificate evidencing his membership rights. The Board of Directors shall prescribe the standards of conduct and duties of each member and the penalty for breach thereof, which standards shall be formulated by the Board of Directors. The Board of Directors shall publish these rules and regulations. Section 5. Meetings of the members shall be held in the City of Tyler, Texas, or at such other place in Smith County as shall be designated in the notice of the meeting. Section 6. An annual meeting of

members shall be held at a specified place, date and time in the month of August each year. At such meeting the members entitled to vote thereat shall elect by a majority vote, persons to fill

Page 3 of 13vacancies on the Board of Directors as provided in Article IV, Section 2, and transact such other business as may properly be brought before the membership. Section 7. Special meetings of the members shall be called by the Secretary at the request of the President, or any Vice-President, or not less than one-fifth (1/5) of all members entitled to vote at the meeting. Written or printed notice stating the place, day, hour and purpose for which the meeting is called, shall be delivered not less than six days before the date of the meeting either personally or by mail, by the secretary, to each member entitled to vote at such meeting. The notice for the meeting shall be drafted by the member or members requesting the meeting and, subject to conformity with the By-Laws, shall be presented to the members without change. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mail, addressed to the member at his/her address as it appears on the books of the corporation, with postage prepaid thereon. Business transacted at any special meeting of the corporation shall be confined to the purposes stated in the notice thereof. Section 8. One-tenth (1/10) of the members entitled to vote, represented in person, shall constitute a quorum at meetings of the members. If, however, a quorum shall not be present at any meeting of the members, the members present shall, by a majority vote, have the privilege of adjourning for one hour. If, after one hour, a quorum is not present, the meeting shall adjourn permanently. If after one hour, a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified. Section 9. The majority of the votes cast at a meeting at which a quorum is present shall be the act of the members meeting, unless the vote of a greater number is required by law or the Articles of Incorporation or the By-Laws. Section 10. Each member in good standing shall be entitled to vote as set out hereinabove in Article II, Section 2, on each matter submitted to a vote at a meeting of members, except to the extent that the voting rights of the members of any class are or may hereafter be limited or denied by the Articles of Incorporation. At each election for directors, every member entitled to vote at such election shall have the right to vote as defined in Article II, Section 2, for one person for each vacancy on the Board of Directors to be elected and for whose election the member has a right to vote. No cumulative voting shall be allowed. Section 11. A member may vote for the Board of Directors either in person or by election ballot. An election ballot shall state clearly the specific meeting at which it is to be voted. A blank election ballot form shall be obtainable from the Chairman of the Nominating Committee before the election, listing all candidates for the Board of Directors whether approved by the Nominating Committee or not, and must be filed with the Secretary at least three days prior to the scheduled meeting to be valid.

Page 4 of 13Section 12. The rights of membership herein defined are subject to the payment of maintenance assessments and other such charges levied by the corporation, as may be reasonably necessary to defray the expenses of operation and maintenance of the recreational facilities and to otherwise achieve the purposes of the corporation. Section 13. The rights of any member may be suspended by action of the Board of Directors during the period when maintenance assessments or other charges remain unpaid, or when covenants and restrictions are in violation. Upon payment of such assessments or correction of such violation, the member's rights and privileges shall be automatically restored. Section 14. All recorded votes by members shall be by secret ballot. ARTICLE III USE AND ENJOYMENT OF RECREATIONAL FACILITIES Section 1. Each member entitled to vote shall be entitled to the use and enjoyment of the recreational facilities subject to such rules and regulations governing such use as may from time to time be promulgated by the Board of Directors. Section 2. Any member entitled to vote may delegate his rights of enjoyment in the recreational facilities to the following: (a) The head of the household of each dwelling owned by the member. (b) Spouse and all adult relatives living in each dwelling, or in the alternative, one additional adult per dwelling to be designated by the head of the household, subject to the regulations and controls as may from time to time be adopted by the Board of

Directors. (c) Any minors residing in the dwellings. The voting member shall notify the corporation in writing of the names of any such persons and of the relationship of the member to such persons. Such rights shall be subject to Article II, Section 13, plus Article III, Section 3. Section 3. If, at any time, the Board of Directors shall have adopted and published rules and regulations governing the use of the recreational facilities, and the personal conduct of heads of household, their families, and their guests violate the aforementioned rules and regulations, they may, at their discretion, following a hearing for violation of such rules and regulations, suspend the use and enjoyment

Page 5 of 13 of the recreational facilities by such heads of household and/or the person committing the violation. Such suspension shall continue for a period not to exceed three (3) months for the first violation, six (6) months for the second violation, and one (1) year for any additional violation of such rules. ARTICLE IV DIRECTORS Section 1. The affairs of this corporation shall be managed by a seven (7) member Board of Directors, each of who must be members of the corporation. Section 2. At the annual meeting in August, the voting members shall elect directors for a term of two (2) years provided for hereafter. Three (3) members shall be elected one year and four (4) members shall be elected the subsequent year. Each director elected shall hold office until his successor is elected and qualified. Section 3. Any vacancy occurring on the Board of Directors may be filled until the next annual meeting of the members by the affirmative vote of a majority of the remaining directors though less than a quorum of the Board of Directors. At the next annual meeting of the members a director shall be elected by the members to fill each vacancy for the unexpired term of the predecessor in office. Section 4. Any director may resign at any time. At any duly called annual or special meeting of the members, any one (or more) of the directors may be removed with or without cause by the two-thirds (2/3) vote by the members present as provided in Article II, Section 2 and a successor may then and there be elected by the members to fill the vacancy thus created. Any director whose removal has been proposed by the members shall be given the opportunity to be heard at the meeting. A director may also be removed by six (6) of the remaining directors. Section 5. The business and affairs of the corporation shall be managed by its Board of Directors which may exercise all such powers of the corporation unless limited by these By-Laws or Articles of Incorporation. The power and authority of the Board of Directors unless specifically limited by the By-Laws shall include, but shall not be limited to, the power and authority: (a) to establish, levy and collect any and all maintenance assessments, fees and assessments necessary to defray expenses of operation and maintenance of the recreational facilities. (b) to adopt and publish or cause to be published rules and regulations governing the use of the recreational facilities and the conduct of the members, heads of households, their families, and their guests.

Page 6 of 13 (c) to declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors. (d) to cause the proceeds of such maintenance assessments, charges and assessments to be expended for the maintenance, improvement and beautification of the recreational facilities. Section 6. Meetings of the Board of Directors, regular or special, must be held within Smith County. Section 7. The annual meeting of the Board of Directors shall be held on the first Saturday following the annual homeowners meeting in August of each year, unless such day is a legal holiday, in which case the meeting shall be held at a specified time with ten (10) days thereafter. At such meeting, the directors shall elect, by majority vote, the officers as set forth in Article VI hereof, and may transact such business as may properly be brought before the meeting. Section 8. Regular meetings of the Board of Directors, other than annual, shall be held at least quarterly at such time and at such place as shall from time to time be determined by the Board of Directors, provided notice of such meetings shall be published and delivered to the membership at least ten (10) days before the meetings. The annual meeting shall be the regular meeting for the quarter in which it falls. Section 9. Special meetings of the Board of Directors may be called by the President of the Board of Directors or shall be called by the Secretary on the written

request of two directors. Written notice of special meetings of the Board of Directors shall be given to each director at least three (3) days before the date of the meeting. The business transacted at any regular or special meeting of the Board of Directors shall not be limited to those matters specified in the agenda given to each director at least three (3) days prior to the meeting. Section 10. A majority of the directors shall constitute a quorum for the transaction of business, and the act of the majority of the directors present at a meeting in which a quorum is present shall be the act of the Board of Directors, unless a greater number is required by the Articles of Incorporation or elsewhere in these By-Laws. If a quorum shall not be present at any meeting of the Board of Directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. Section 11. The Board of Directors, by resolution adopted by a majority of the members of the board, may appoint committees, whose members need not be directors, as deemed appropriate in carrying out its purposes. Such standing committees shall operate under a written charter approved by the Board of Directors.

Page 7 of 13The charters shall specify the composition of the standing committee, rules governing meetings and the duties of the standing committees. The Board of Directors may not delegate its ultimate responsibilities for managing the corporation. The President of the corporation shall not be a voting member of any standing committee except the Executive Committee but shall be an ex-officio member of all other committees. Section 12. Before the annual August meeting, the Board of Directors shall appoint a nominating committee of two board members and three members at large who shall nominate candidates for the board. The names of the candidates for directorship shall be submitted to the Nominating Committee on or before forty (40) days before the election. The committee shall notify all members of its recommendations thirty (30) days before the election. Members may submit names of candidates to the Secretary, other than those submitted by the Nominating Committee, at least twenty (20) days prior to the election. Upon approval of a majority vote of the members present at the meeting, additional nominations may be made from the floor. ARTICLE V BOARD OF DIRECTORS NOTICES Section 1. Notices to all directors shall be in writing, shall specify the time and place of the meeting and shall be delivered personally or mailed to the directors at their addresses appearing on the books of the corporation. Notice by mail shall be deemed to be given at the time when same shall be mailed. Section 2. Whenever any notice is required to be given to any director under the provisions of the statutes or of the Articles of Incorporation or of these By- Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Section 3. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. ARTICLE VI OFFICERS Section 1. The officers of the corporation shall consist of a President, one or more Vice-Presidents, a Secretary, and Treasurer, each of whom shall be elected Page 8 of 13by the Board of Directors. Section 2. The Board of Directors, at its first meeting after the annual August meeting of members, shall elect such officers as prescribed in the preceding section. Section 3. Such other officers and assistant officers and agents as may be deemed necessary may be elected or appointed by the Board of Directors. Section 4. The officers of the corporation shall be exempt from established monthly maintenance assessments for one lot during the period they are serving in office to cover automobile and other indirect expenses incurred, except that they shall not be exempt from special assessments. All other officers of the corporation shall serve without salary or other remuneration, except where they are requested to be a temporary paid employee, advisor or consultant of the corporation on approval of the Board of Directors. Section 5. The officers of the corporation shall hold office until their successors are chosen and qualify. Any officer or agent or member of a standing committee elected or appointed by the Board of Directors may be removed by

the Board of Directors whenever in its judgment the best interests of the corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any vacancy occurring in any office of the corporation by death, resignation, and removal or otherwise shall be filled by the Board of Directors as subject to Article IV, Section 3, if applicable.

**PRESIDENT** Section 6. The President shall be the chief executive officer, and shall preside at all meetings of the members and Board of Directors, and shall have such other powers and duties as usually pertain to such office or as may be delegated by the Board of Directors. The President shall have such powers and duties as usually pertain to such office, except as the same may be modified by the Board of Directors. Unless the Board of Directors shall otherwise delegate such duties, the President shall give general and active management of the business of the corporation, and shall see that all orders and resolutions of the Board of Directors are carried into effect. Section 7. The President, upon approval of the board, shall execute bonds, mortgages and other contracts, except where signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the corporation. The President shall also execute, with the prior approval of the Board of Directors, all conveyances of lands, bonds, mortgages, notes, securities and other documents, except where required by law or otherwise to be signed and executed by all members of the board, and except in instances where the signing and

Page 9 of 13 execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the board. **VICE-PRESIDENT** Section 8. There shall be a maximum of four (4) Vice-Presidents including, but not limited to, the following titles and responsibilities: Vice-President, Recreational Facilities and Security Vice-President, Lake and Common Area Vice-President, Architectural Control Vice-President, Social and Recreational Activities Each Vice-President shall serve as chairman of their respective committee. In the event of absence or disability of the President, a Vice-President will be selected by the remaining members of the Board of Directors to serve as President and perform the duties and exercise the powers of the President. **SECRETARY** Section 9. The Secretary shall keep the minutes of all meetings of the Board of Directors and cause them to be published in a newsletter distributed to the homeowners. The Secretary shall perform such other duties and have such other powers as the Board of Directors shall prescribe. In the event of the Secretary's absence from a meeting of the Board or of the inability to perform the duties of that office, the President may designate a temporary substitute. **TREASURER** Section 10. The Treasurer shall be the custodian of all books and records of the corporation. The Treasurer shall cause to be prepared and published in a regularly published newsletter to the homeowners prior to each annual meeting of the homeowners, a financial report and budget, in such form and containing such information as may from time to time be directed by the Board of Directors. The Treasurer shall have prepared such other financial records and reports as may be requested by the Board of Directors. The Treasurer shall keep and retain all funds and properties of the corporation in such depositories as may be designated by the Board of Directors. In the event of the Treasurer's absence from a meeting of the board or the inability to perform the duties of that office, the President may designate a temporary substitute.

Page 10 of 13 **ARTICLE VII INDEMNIFICATION OF OFFICERS AND DIRECTORS** Any and all of this corporation's directors or officers or former directors or officers shall be indemnified against expenses actually and necessarily incurred by them in connection with the defense of any action, suit or proceeding in which they, or any of them, are made parties, or a party, by reason of being or having been directors or officers of this corporation, except in relation to the matters as to which any such director or officer or former director or officer or person shall be adjudged in such action, suit, or proceeding to be liable for gross negligence or willful misconduct in the performance of duty. The foregoing right to indemnity shall include reimbursement of the amounts and expenses paid settling any such action, suit or proceeding, when settling or a plea of no lo contendere appears to be in the interest

of the corporation. Such indemnification shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any By-Laws, agreement, and vote of members or otherwise.

ARTICLE VIII FINANCIAL PROVISIONS Section 1. The sole power to establish, levy, and collect any and all maintenance assessments, fees and assessments necessary to defray expenses of operation and maintenance of the recreational facilities shall be vested in the Board of Directors. Section 2. Modifications in existing maintenance assessments, fees, and assessments shall be provided by written notice to all members thirty (30) days before they become effective. Section 3. Maintenance assessments that relate to the general upkeep, maintenance and improvement will be determined by the Board of Directors as follows: Class A will be determined by the Board of Directors and will serve as the reference maintenance assessments for determining maintenance assessments for all other members. All other members of the corporation will pay maintenance assessments as will be determined by the Board of Directors, but at a rate not less than 25% of the reference maintenance assessment of Class A members, provided, however, that the maintenance assessment will be uniform for all members of the same class.

Page 11 of 13 Section 4. The corporation may incur accounts payable and accrued liabilities for salaries, property taxes, and other expenses related to the normal operation of the facilities. The President may authorize an emergency expenditure of up to \$500 without approval of the Board of Directors; however, such expenditure shall be reviewed with the Board at its next meeting. The corporation will not incur outstanding debt or long term leases in excess of \$2500 that is not secured by one or more depository accounts or similar money instruments, unless such debt or long term lease has been approved by a two-thirds (2/3) majority vote of the voting members for specified purposes. Section 5. Significant expenditures for capital additions to the facilities of the corporation shall be submitted to the members for ratification and approved by a two-thirds (2/3) majority vote of the voting members as provided in Article II, Section 2 for specific purposes. For specific purposes, while a precise definition of a "significant expenditure for a capital addition" is not contained herein; expenditures for new tennis courts, additional swimming pools; major modifications or additions to the club facilities that require the commitment of funds, etc., are deemed to meet the definition, while funds required for the maintenance, and minor improvements of present facilities are deemed not to meet the definition. To this regard: a. The membership of the corporation delegates to the Board of Directors the duty to determine with their best judgment those expenditures that per this section require membership ratification. b. The Board of Directors shall publish procedures for guiding members and committees of the board to submit, after board approval, expenditures as defined in the section to the property owners for ratification. Such procedures shall require that: i. A detailed description of the capital addition be prepared. ii. An investigation of applicable zoning restrictions and potential conflicts with nearby homeowners be investigated. iii. The findings of the Architectural Control Committee be presented, if applicable. iv. The proposed source and amount of initial expenditures required and projected maintenance expenditures to be determined.

ARTICLE IX GENERAL PROVISIONS Section 1. All checks or demands for money and notes of the corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Page 12 of 13 Section 2. The fiscal year of the corporation shall be October 1 through September 30 each year. Section 3. Any action required by law, the Articles of Incorporation or these By-Laws to be taken at a meeting of the Board of Directors of the corporation, or any action which may be taken without a meeting if a consent in writing setting forth the action to be taken shall be signed by all the directors, or the committee, as the case may be. Such consent shall have the same force and effect as a unanimous vote and may be stated as such in any articles or document filed with the Secretary of the State or any other governmental agency. Section 4. The Board of Directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these By-Laws, to enter



into any contract or execute and deliver any instrument in the name of and on behalf of the corporation and such authority may be general or confined to specific instances. Section 5. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer and countersigned by the President or a Vice-President of the corporation. Section 6. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may select. The corporation may invest in fully guaranteed U.S. Government obligations. Section 7. The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the corporation. ARTICLE X AMENDMENTS The power to adopt, alter, amend or repeal the By-Laws of the corporation shall require a two-thirds (2/3) vote by the voting members present in person at a special or regular meeting, as provided in Article II, Sections 6 and 7.

Page 13 of 13 ARTICLE XI DISSOLUTIONS Section 1. The corporation may be dissolved only with the assent given in writing and signed by two-thirds (2/3) of the members of the corporation. Written notice of the proposal to dissolve, setting forth the reasons therefore and the disposition to be made of the assets shall be given to every member by the President at least ninety (90) days in advance of any action taken. Section 2. Upon dissolution of the corporation, the assets both real and personal of the corporation shall be dedicated to an appropriate public agency to be devoted to purposes that as nearly as practical be the same as those which they were required to be devoted by the corporation. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to purposes and uses that would most nearly reflect the purposes and uses to which they were required to be devoted by the corporation. ARTICLE XII MERGERS To the extent permitted by law, the corporation may participate in mergers and consolidations with other non-profit corporations organized for the same purposes, provided that any such merger or consolidation shall have the assent of two-thirds (2/3) of the total vote of all members of a quorum, voting in person at a meeting duly called for this purpose, written notice of which shall be given to members at least thirty (30) days in advance and shall set forth the purpose of the meeting. ARTICLE XIII RULES OF ORDER The rules as contained in current Roberts Rules of Order, Revised should govern the corporation in all cases in which they are applicable, and in which they are not inconsistent with the Articles of Incorporation, By-Laws, or other regulations of this corporation.

**Amendments to By-Laws: August 13, 2015**

**Unightly Growth** : No weeds, underbrush or other unightly growth shall be permitted to grow above 9 inches (city ordinance) or remain in any Lot, and no refuse pile or unightly objects shall be allowed to be placed or to remain on Lots, including vacant properties.

**Unightly Large Hole(s) in yard**: Large holes in yards must be repaired to reflect the landscape of the yard. Exposed pipes, tree roots, or other debris shall not be permitted.

**Drainage Issues**: (1) In order to insure proper drainage between adjacent properties, gutters between houses must be regularly cleaned and maintained. (2) In order to ensure proper drainage between neighboring properties, it is the responsibility of the owner of the retaining wall(s) to maintain and repair the walled structure.

**Dues Increase:** The WPOA Board must show financial just cause in chart format when submitting a proposal for a dues increase.

Find in document

13 of 13

STATE OF TEXAS  
COUNTY OF SMITH

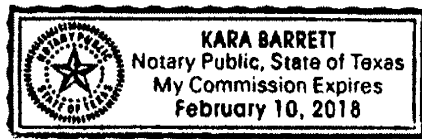
Donna J Metke  
Donna J. Metke

February 24, 2016

SUSBCRIBED AND SWORN TO BEFORE ME BY Donna J. Metke

on the 24<sup>th</sup> day of February, 2016, to certify which witness my hand

and official seal.



Kara Barrett  
Notary Public

# Smith County



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**DO NOT REMOVE**

**THIS PAGE IS PART OF THE INSTRUMENT**

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Filed for Record in  
Smith County, Texas  
02/24/2016 11:26:11 AM  
Fee: \$98.00  
20160100008092

BY LAWS

Deputy -Shanita Pinson

I hereby certify that this instrument was  
filed and duly recorded in the Official  
Public Records of Smith County, Texas

A handwritten signature in cursive script that reads "Karen Phillips".

Karen Phillips  
County Clerk

