

SPRING CREEK OAKS COMMUNITY IMPROVEMENT ASSOCIATION

BY-LAWS

ARTICLE I

DEFINITIONS

When used herein the following terms shall be given the meaning hereinafter stated:

1. "Association" refers to the Spring Creek Oaks Community Improvement Association;
2. "Board" and "Board of Directors" refer to the duly elected and qualified Board of Directors of the Spring Creek Oaks Community Improvement Association; and
3. "Member" refers to a person who is a member of. the Spring Creek Oaks Community Improvement Association,, pursuant to the Articles of Incorporation.

ARTICLE II

MEMBERSHIP

1. The Association has one class of membership, Class' B having ceased and been converted to Class A memberships pursuant to the Articles of Incorporation.
2. Except as hereinafter provided, all members of this Association shall have a right to vote on any matter duly submitted to a vote of the membership and shall have the right and privilege to use and enjoy all properties, facilities, and services of the Association and to serve on the Board of Directors and participate in all activities and functions of the membership of this Association. The foregoing is subject to the following exceptions:
 - a. no member under the age of eighteen years shall be entitled to vote on any matter submitted to a vote of the membership;
 - b. not more than one member from any single household or lot situated in the Association shall be entitled to vote on any matter submitted to a vote of the membership;
 - c. a member will not be entitled to vote unless any and all amounts due and owing to the Association for the then current year and all prior years by virtue of the annual maintenance charge imposed on such lot or lots have been paid in full;
 - d. and all rights and privileges of the members shall be subject to the terms of the Articles of Incorporation and By-Laws of the Association and such other reasonable rules and regulations as may be promulgated by the Board of Directors.
3. Eligibility of any member to vote shall be determined in all cases as of the time at which such member submits a vote on any matter submitted to a vote of the membership.
4. Membership in this Association is not transferable or assignable to any person not eligible for membership under the provisions of these By-Laws.

ARTICLE III

MEETINGS OF MEMBERS

1. The members of this Association shall hold one (1) regular meeting each year for the purpose of transacting the business which may come before such meeting. The regular meeting shall be held in the month of November of each year. The exact date, time-and place of such regular meeting shall be, determined by the Board of Directors.
2. Special meetings of the may be called by the Board of Directors on its own behalf or at the written request of 50 or more members of the Association who are eligible to vote on matters submitted to a vote of the membership. Any such written request must also state the reason for or purpose of the requested meeting. In the event a special meeting is requested by 50 or more voting members as aforesaid, such meeting shall be held within 30 days from the date the written request is received by the Board. Subject to the foregoing provisions, the exact date, time and place of special meetings shall be determined by the Board.
3. Notice of regular and special meetings of the members shall be mailed or delivered to each household in the Association and to non-resident members at the address most recently provided by them for such notice, at least 10 days but not more than 30 days prior to the date of the meeting. Such notice shall state the date, time and place of the meeting and, in the ease of a special meeting, shall state the purpose or purposes of the meeting. He matters other than those stated in the notice of special meeting may be considered at such special meeting.
4. Except as otherwise expressly provided, ten percent, (10%) of the members eligible to vote on matters submitted to a vote of the membership at the time of any meeting shall constitute a quorum at such meeting.
5. Except in cases in which the By-Laws of this Association are in conflict therewith, Robert's Rules of Order, as revised, shall govern the conduct of the business in all meetings of the members of the Association.

ARTICLE IV

BOARD OF DIRECTORS

1. The management and direction of the affairs and property of the Association shall be vested In the Board of Directors of the Association (called "Trustees" in the Articles of Incorporation).
2. Subject to the rules of parliamentary procedure provided in these By-Laws, each of the Board of Directors shall be empowered to participate in discussion, initiate action and vote on any question properly presented to the Board for its determination. When acting as a member of the Board of Directors, each person shall place the interests of the Association and its members before his individual interests or the interests of any other group or association of persons. In the event any member of the Board of Directors has any individual interests which may be in conflict with the interests of the Association,, he shall immediately make such fact known to the Board of Directors and he shall be disqualified from participating in discussion or action of the Board with respect to such matter.

In the event the individual interests of any member of the Board conflict and continue to conflict with the interests of the Association over an extended period of time and in such a manner as to directly or indirectly affect a substantial amount of the business of the Board, such member shall be disqualified from acting on the Board and may be removed from the Board in the manner provided in paragraph 7 of Article IV hereof.

The Board of Directors shall at all times conduct the business of the Association in strict accordance with the provisions of the Articles of Incorporations the By-Laws of the Association, and the Covenants, Conditions and Restrictions applicable to the real property within the jurisdiction of the Association.

3. The board of Directors shall consist of five (5) persons, who shall be members of the Association.
4. Directors shall be elected as a Director and as an Officer of the Association. Directors elected to the office of President or Vice-President shall serve a one-year term. Directors elected to the office of Secretary Treasurer, or Parliamentarian shall serve a two-year term, with the positions of Secretary and Parliamentarian to be on the ballot in even numbered years and the position of Treasurer to be on the ballot in odd numbered years. No person may hold more than one office at a time. An officer may not succeed himself in the same office.
5. *Deliberately Untitled*
 - a. All of the members of the Board of Directors shall be elected by a vote of those members of the Association who are eligible to vote on any matter submitted to a vote of the members. The election of members of the Board shall be held at the regular meeting of the members of the Association in November of each year. It shall be the duty of the Board of Directors to submit to the members of the Association at the regular meeting held in November of such year, eligible nominees for each position on the Board of Directors presently occupied by a Director whose term is to expire at the end of the current year. The notice of the regular meeting of members at which the Board of Directors is to be elected, required to be mailed or delivered by paragraph 3 of Article III of these By-Laws, shall contain the names of all of the nominees who will be submitted to the members at such regular meeting by the Board of Directors. The nominees so submitted by the Board shall be those selected by the Nominations Committee and approved by the Board of Directors pursuant to paragraph 5 of Article VII hereof. At the regular meeting at which the Board of Directors are to be elected any member eligible to vote on any matter submitted to a vote of the membership may make nominations, with the nominee's concurrence, from the floor of an eligible person for any or all positions on the Board of Directors. With respect to all positions on the Board of Directors, a majority vote shall be required to elect, but in the event a majority is not received on the first ballot, a run-off shall be immediately held between the two candidates receiving the highest number of votes on the first ballot, and a majority vote shall not be required to elect in the event of a run-off.
 - b. The newly elected members of the Board of Directors shall take office on January 1st following the election or as soon thereafter as they have been duly elected in accordance with the provisions of these By-Laws.
 - c. The incumbent Board of Directors shall continue to serve until the members of the new Board are elected pursuant to the foregoing procedure.

6. In the event a vacancy on the Board of Directors occurs by reason of the resignation, death, removal or disqualification of any member of the Board except the President, the President shall appoint an eligible member to fill the vacancy, provided that any such appointment must be approved by the Board of Directors at the first regular meeting of the Board at which a quorum is present following the President's appointment of a member to fill the vacancy. The President shall make an appointment to fill any vacancy within thirty (30) days after the vacancy occurs. In the event the member appointed by the President does not receive the required approval of the Board of Directors, the Board of Directors shall then proceed to elect an eligible member of the Association to fill the vacancy on the Board. A majority vote of a quorum of the Directors shall be required to elect a member to fill a vacancy. In the event the vacancy occurs in the office of the President, the Vice President shall automatically ascend to and fill such office for the balance of the current term and the Vice President, in such event, shall appoint an eligible member to perform the duties of the Vice President In the manner above provided in the case of a vacancy on the Board of Directors.
7. In the event any member of the Board of Directors knows or has good reason to believe that cause, as hereinafter defined, exists for the removal from office of any member of the Board of Directors, such member may, but shall not be required to, raise the question for the consideration of the Board of Directors at any regular meeting of the Board. In the event it is determined that cause for removal does exist with respect to any member of the Board and a proper motion is made and seconded that such member be removed from office, a secret written vote shall be taken on the motion. Any such motion for removal shall require the affirmative vote of three-fourths of the quorum of Directors present at the meeting in order to carry.
8. Each of the following shall constitute cause for removal of any person from the Board of Directors:
 - a. Failure of any member of the Board to pay the annual maintenance charge assessed against the lot or lots on which his residence is situated prior to such charge becoming delinquent;
 - b. The willful violation by any member of the Board of any provision of the Articles of Incorporation or By-Laws of this Association;
 - c. The willful commission of any unlawful act in connection with any of the functions, activities or business of the Board of Directors or the Association;
 - d. The failure to attend four (4) consecutive regular meetings of the Board of Directors; and
 - e. Disqualification from acting on the Board under the circumstances specified in paragraph 2 of Article IV hereof.
9. Notwithstanding any of the provisions of the foregoing paragraphs 7 and 8 any member of the Board of Directors who is convicted of a felony offense by a court of competent jurisdiction shall be thereby automatically removed from office.

ARTICLE V

MEETINGS OF THE BOARD OF DIRECTORS

1. The Board of Directors shall hold at least ten regular monthly meetings during each calendar year of their term of office. The Board may hold such additional regular meetings as it may deem proper or necessary. The time, date and place of such regular meetings, as well as that of any additional regular meetings of the Board, shall be determined by the Board, and further notice of such regular meetings need not be given.
2. Special meetings of the Board of Directors may be called by the President either on his own motion, at the request of two (2) or more members of the Board or at the written request of at least twenty-five (25) members of the Association who are eligible to vote on matters submitted to a vote of the membership. Any request for a special meeting of the Board must state the reason or purpose of the meeting requested. Any special meeting of the Board of Directors shall be held within fifteen (15) days after the date it is called. Subject to the foregoing requirement, the exact time, date, and place of special meetings of the Board shall be determined by the President.
3. Notice of all special meetings must be mailed by regular U. S. Mail to all members of the Board of Directors at least ten (10) but not more than fifteen (15) days prior to the date of the meeting. In the case of a special meeting, the foregoing notice requirement may be waived by the affirmative vote of two-thirds of a quorum of directors present at such meeting. The notice mailed with respect to any special meeting must specify the purpose or purposes of the meeting and the matters to be considered at such special meeting.
4. Any action required by law to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all members of the Board of Directors.
5. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting, regular or special of the Board. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these By-Laws.
6. Except in cases in which the By-Laws of the Association are in conflict therewith, Robert's Rules of Order, as revised shall govern the conduct of the business in all meetings of the Board of Directors.
7. All material, such as committee reports and resolution relating thereto, which must be included in the minutes of proceedings of the Board of Directors shall be prepared in advance in writing by the responsible Board member for the use and assistance of the Secretary.
8. All meetings of the Board of Directors shall be open to the general membership. Voting and the offering or seconding of motions shall be restricted to the Directors.

ARTICLE VI

OFFICERS

1. The Officers shall be the elected Board members and shall consist of a President, Vice President, Secretary, Treasurer, and Parliamentarian, and shall be elected to their positions by the members of the Association as provided for in Article IV hereof.

2. It shall be the duty of the President to preside at all meetings of the members of the Association and to serve as the Chairman at all meetings of the Board of Directors. The President shall be responsible for the enforcement of the provisions of the Articles of Incorporation and the By-Laws of the Association. It shall be the responsibility of the President to insure that all regular meetings of the members of the Association and of the Board of Directors and any and all special meetings of the members of the Association or the Board of Directors, called in accordance with the provisions of the By-Laws, are duly held. The President shall be responsible for seeing directors of the Association respond to and properly perform any and all duties of their respective offices and positions as specified in the By-Laws or which may be necessary in order to carry out the business and affairs of the Association. The President shall have the responsibility of preserving and overseeing the books, records, and files of the Association and shall make certain that all books, records and files are properly maintained. In addition, the President shall perform all of the other duties and responsibilities of such office elsewhere provided in these By-Laws.
3. It shall be the duty of the Vice President to assist the President in the discharge of the duties of his office in such ways and by such means as the President may request. In the event the office of the President becomes vacant for any reason, the Vice President shall automatically assume the office of the President and discharge the duties and assume responsibilities of such office.
4. It shall be the duty of the Secretary to insure accuracy of the minutes of all general meetings of the membership of the Association and of all meetings of the Board of Directors and to compile such minutes, under the supervision of the President, into a permanent record of the meetings of the Association. The Secretary shall present the minutes of each meeting of the members of the Board of Directors at the succeeding meeting of the members or the Board of Directors for approval. It shall be the further responsibility and duty of the Secretary to make certain that all notices of regular and special meetings of the members of the Association and special meetings of the Board of Directors are properly delivered in accordance with the provisions of these By-Laws.
5. It shall be the duty of the Treasurer to supervise, as representative of the Board of Directors, the carrying out of all duties in connection with the collection, receipt, deposit, it, disbursement and general handling of all funds of the Association. He shall keep himself fully informed as to the financial transactions and the state of the finances of the Association and shall supervise and periodically review all books and records concerning the financial affairs of the Association. The Treasurer shall serve as an advisor to the President in financial matters and shall have the responsibility of initiating any and all necessary action by the Board or the conduct of the financial affairs of the Association. The Treasurer shall act in liaison between the Board and the persons or firm employed to collect the annual maintenance charge imposed on all lots in the Association and to keep books and records of finances of the Association. The Treasurer shall assist his successors in office for an appropriate period agreeable between themselves, so that each person assuming the office of the Treasurer may become sufficiently knowledgeable as to the financial state and affairs of the Association to properly perform the duties of the Treasurer. The Treasurer shall arrange for an annual audit of the books and records of the Association by a committee of members or by an independent public accountant.
6. The Parliamentarian shall serve as an advisor to the President in all matters of Parliamentary-procedure and in the interpretation and construction of all provisions of the By-Laws relating to procedure of calling a meeting of the Association members and of the Board of Directors. The Parliamentarian has the duty of informing the Board of Directors of the manner by which they may follow and apply proper procedural means so as to accomplish their aim and purpose with accuracy and without undue delay.

ARTICLE VII

COMMITTEES

1. At the time each new Board of Directors takes office, one member of the Association shall be recommended by the President and ratified by a majority of the board present at a meeting at which a quorum is present, with respect to and for the purpose of overseeing each of the following standing committees of the Association:

- (1) Deed Restrictions and Architectural Control

- (2) Grounds Maintenance and Beautification,

- (3) Security

- (4) Clubhouse

- (5) Pools

- (6) Tennis

Each of the members of the Association so appointed shall forthwith enlist members of the Association to serve on his respective committee in a sufficient number to enable the committee to carry out its functions and duties. Each of the above listed standing committees shall have at least two members in addition to the chairman. Any member of the Association (including members of the Board of Directors) shall be eligible to serve on any one or more of the above listed committees. In selecting members for their respective committees, the members of the Board should endeavor to obtain persons who are genuinely interested in working to promote the interests of the Association and the neighborhood and, insofar as practicable, who may have talent, training or experience which will be particularly helpful to the functions and duties of the committee. The member of the Association appointed by the President for each of the standing committees shall serve as chairman of such respective committees and shall represent such respective committees in meetings of the Board of Directors. The President of the Association shall be an ex-officio member of all committees.

The above listed standing committees shall continue in being through the term of office of the Chairman under which they were formed, provided, however, that the Board of Directors may by a two-thirds majority of a quorum remove the chairman or any member of any committee from office, whereupon the President shall appoint a member of the Board of Directors to act as Chairman of such committee. Any member of the committee- (other than a member of the Board of Directors) may be removed by the chairman thereof when in his opinion the best interests of the Association shall be served by such removal.

2. **In general**, it shall be the duty of the Deed Restrictions and Architectural Control Committee to aid in and assist the residents of the Association in the enforcement, preservation and extension of the restrictions affecting the property in the Association and to assist in the enforcement of the architectural control restrictions applicable to the Association.

In general, it shall be the duty of the Grounds Maintenance Committee and Beautification Committee to promote the harmonious and attractive landscape development and maintenance of the lands included within the Association.

In general, it shall be the duty of the Security Committee promote and enforce, so far as practical, compliance with the laws of the County and the State of Texas within the boundaries and surrounding areas of the Association and to be generally concerned with matters important to the safety and security of the residents in such areas.

In general, it shall be the duty of the Clubhouse Committee to maintain,, report to the Board regarding any need for improvement of, and regulate the usage of the Association clubhouses.

In general, it shall be the duty of the Pools Committee to maintain, report to the Board regarding any need for improvement of, and regulate the usage of the Association pools.

In general, it shall be the duty of the Tennis Committee maintain, report to the board regarding any need for the improvement of, and regulate the usage of the Association tennis courts.

3. In addition to the above listed committees the President, with the approval of the Board of Directors, may form or appoint any Member of the Association to form such other committee or committees as may be necessary or convenient for carrying out the purposes and activities of the Association. As in the case of the standing committees, any member of the Association may serve on any special committee and the same considerations applied in determining the number, chairmanship and identity of members of the standing committees shall be applied to special committees. Any such special committee so formed shall continue to act as such until, in the opinion of the Board of Directors, its purpose or functions has been fulfilled and its existence is no longer needed.

The purpose, duties and functions of any special committee shall be as stated in the resolution of the Board of Directors authorizing the formation of such committee.

4. The Board of Directors may request any member of the Association to act in an advisory capacity to the Board with respect to any matter on which the Board may deem such assistance necessary or helpful.
5. Prior to October 1st of each year the President shall also appoint a "Nominations Committee" consisting of two members of the Board of Directors and three members of the Association who are not on its Board of Directors. The President shall act as Chairman of this Committee. The appointment of all persons except the President to this committee must be approved by the Board of Directors. It shall be the duty of this committee to select qualified members of the Association to serve on the Board of Directors of the Association during the following year and to submit their selections to the Board of Directors for its approval prior to the time when notices of the regular November meeting of the members are mailed. Each person proposed for election to the Board during the following term must be approved by a majority vote of a quorum of the Board of Directors. The Nominations Committee shall submit alternate suggestions to the Board In the event the Board disapproves one or more of its suggested candidates. The names of all suggested candidates who are approved by the Board shall be mailed or delivered to all members as a part of the notice of the regular November meeting of the members.

ARTICLE VIII

FISCAL YEAR

The fiscal year of the Association shall be the calendar year from January 1st to December 31st.

ARTICLE IX

SEAL

The Board of Directors may provide a corporate seal for the Association which shall be in the form of a circle and shall have inscribed thereon the full name of the Association and the word "TEXAS."

ARTICLE X

AMENDMENT OF BY-LAWS

These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by a two-thirds majority of the 'members voting at a regular meeting of the members of the Association at which there is present a quorum of members eligible to vote on matters submitted to a vote of the membership. No amendment, alteration, or other change in the By-Laws may be submitted to a vote at a meeting of the members unless notice of the alteration, amendment or other change has been' included in the notice of regular meeting mailed or delivered to all members of the Association. It shall be the responsibility of the Vice President to make certain that notice of any amendment or alteration of the By-Laws suggested by the Board of Directors or twenty-five (25) or more members of the Association who are entitled to vote on matters submitted to a vote of the members shall be included in the notice of the next regular meeting of the membership of the Association.

ARTICLE XI

ASSESSMENTS

As more fully provided in instruments containing covenants, conditions and/or restrictions applicable to the real property within the Association, each lot owner(s) is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. If the assessment is not paid within thirty (30) days after the due date, the Association may pursue its remedies consistent with the applicable covenants, conditions, and/or restrictions, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by non use of the Common Area or abandonment of his lot.

ARTICLE XII

MISCELLANEOUS PROVISIONS GOVERNING AFFAIRS OF THE ASSOCIATION

1. The Association shall keep correct and complete books and records of account and shall also maintain a record showing the names of all members of the Association and all members of the Association who are eligible to vote on any matter submitted to a vote of the members. All books, records, and minutes of the Association may be inspected by any member of the Association at any reasonable time.

2. The Board of Directors may authorize the President or Vice-President to enter into any contract or execute and deliver any, legal instrument in the name of and on behalf of the Association so long as such contract or other instrument is consistent with the purpose of this Association.
3. The principal office of this Association shall be located at 6002 Our Oak, Spring, Texas 77379 (Harris County), or at such other place as the Board of Directors may be determined or as the affairs of the Association may require from time-to-time.
4. The Association shall have and continuously maintain in the State of Texas a registered office and a registered agent whose office is identical with such registered office, as required by Article 1396-2.05 of the Non-Profit Corporation Act. The registered office may be, but need not be, identical with the principal office in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors.
5. All funds of the Association shall be deposited from time-to-time to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may select, within the limits of federal depository insurance. Furthermore, the funds of the Association may be disbursed or transferred only by check, draft, or other written instrument which shall be signed by at least two members of the Board.
6. No financial commitment of the Association or expenditures of the Association's funds shall be made without the prior approval thereof by the Board of Directors. The Board of Directors may, however, delegate the authority to make such financial commitments not exceeding Three Hundred and No/100ths (\$300.00) Dollars per commitment. The approval of the Budget shall not be construed as the necessary approval of financial commitments of funds in excess of Three Hundred and No/100ths (\$300.00) Dollars. No commitment or expenditure of funds of the Association shall in any event be made for any purpose which is inconsistent with the purpose of the Association as stated in the Articles of Incorporation and the By-Laws of the Association.
7. The Board of Directors shall not have the authority either to borrow funds on behalf of the Association in any one year of any amount or to grant a lien on any of the Association's property to secure any such loan to the Association without first obtaining the approval of two-thirds (2/3rds) of the members of the Association who are eligible to vote on matters submitted to a vote of the members, such approval being obtained either at a meeting of the members or by written ballot through the mail.
8. The Board of Directors of the Association shall not authorize any arrangement concerning the use of any of the facilities of the Association which unlawfully or unreasonably discriminates against a member of the Association.
9. Each Director and officer of the Association shall be indemnified by the Association against all expenses actually and necessarily incurred by him in connection with the defense of any action, suit, or proceeding, commenced after the date of the adoption of these By-Laws, in which he is made party by reason of his being or having been a Director or an officer of the Association, except in relation to the matters as to which he shall be adjudged in such action, suit, or proceeding to be liable of gross negligence or misconduct in the performance of his duty as such Director or officer.

10. In the event of the dissolution of the Association any assets of the Association remaining after the payment and satisfaction of all liabilities and obligations of the Association shall be transferred and conveyed to an entity for the benefit of the community. In no event shall any such asset be assigned transferred or conveyed to any member, director or officer of the Association, either past or present.

Dated: January, 1990.