

**BY-LAWS
OF
WILDEWOOD OWNERS ASSOCIATION, INC.
A NON-PROFIT CORPORATION
DATED: 31 MARCH, 1989**

ARTICLE I. OFFICES

Section 1. The principal office of the Association in the State of Texas shall be located in the residence of the Secretary/Treasurer or the Financial Administrator. The Association may have such other offices within Wildewood as the Board of Directors may determine or as the affairs of the Association may require from time to time.

ARTICLE II. ASSOCIATION MEMBERS

Section 1. The Association shall have only one class of members, i.e. the owners of lots in Wildewood, a subdivision on the banks of Lake Palestine, situated in Henderson County, Texas. Each person purchasing a lot, whether by Deed or Contract of Sale, shall become a member of such Association known as the Wildewood Owners Association, Inc. The public facilities belonging to the Wildewood Owners Association, Inc., including but not limited to; the swimming pool, playground, boat launch, community center, volley-ball court, and tennis-court, shall be exclusively for the use of property owners and their temporary guests. A person shall not be considered a guest if he/she is merely leasing property in Wildewood Subdivision from a property owner.

Section 2. An owner and/or their spouse shall be entitled to only one (1) vote each on Association matters regardless of the number of lots owned provided maintenance charges and any lot cleaning assessments are current. Multi-owners shall be entitled to only two (2) votes at meetings of owners regardless of the number of owners and/or number of lots owned. Persons under the age of eighteen (18) shall not be permitted to vote, in accord with Federal and State laws.

Section 3. The Board of Directors by an affirmative vote of two-thirds of all the members of the Board may suspend or expel a member for cause, after granting such member a proprietary hearing. The Board of Directors may terminate the membership of any member who becomes ineligible for membership or suspend or expel any member who shall be in default of payment of maintenance charges and/or cleaning assessments for the period fixed in Article IX of these By-Laws.

Section 4. Any member may resign by filing a written resignation with the Secretary/Treasurer, but such resignation shall not relieve the member so resigning of the obligation to pay maintenance charges, assessments or other charges accrued and accruing.

Section 5. On written request signed by a former member and filed with the Secretary/Treasurer, the Board of Directors, by the affirmative vote of two-thirds of the members of the Board may reinstate such member on term or terms as the Board of Directors may deem appropriate.

Section 6. Membership in the Association is transferable with property transfers providing all maintenance charges and assessments are current. No such transfer shall become effective until the Secretary/Treasurer of the Association is notified of the transfer in writing. The Secretary/Treasurer shall keep as accurate record of the transfers as part of his/her assigned duties.

ARTICLE III. MEETINGS OF ASSOCIATION MEMBERS

Section 1. An annual meeting of the members shall be held at the Community Center in the Wildewood subdivision, in Henderson County, on the first Saturday in the month of June beginning at 1 o'clock p.m., for the purpose of electing directors and presenting a statement of the financial report. If the day fixed for the annual meeting shall be a legal holiday in the State of Texas, such meeting shall be held on the second Saturday of June. If the election of directors shall not be held on the day designated herein, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as may conveniently be held.

Section 2. Special meetings of the members may be called by the President, Board of Directors, or not less than one-tenth of the members having voting rights.

Section 3. Written or printed notice stating the place, day and hour of any called meeting of members shall be delivered, either personally or by mail, to each address entitled to vote at such meeting, not less than ten (10) or more than sixty (60) days before the date of such meeting, by or at the direction of the President, or the Secretary/Treasurer, or the officers or persons calling the meeting. In case of a special meeting, or one required by statute or by these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member's address appearing on the records of the Association with postage thereon prepaid.

Section 4. The members holding 10% of the votes that may be cast at any meeting shall constitute a quorum at such meeting. A majority of the votes cast, ignoring blanks, by the quorum is sufficient for the adoption of any motion that is in order. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting from time to time without further notice.

Section 5. All voting at meetings of owners shall be by hand vote with the exception of the election of Directors, which shall be by secret ballot.

Section 6. Where Directors are to be elected by members, such election may be conducted by mail in such manner as the Board of Directors shall determine.

Section 7. Each Director shall be elected by plurality vote and cumulative voting shall not be permitted.

ARTICLE IV. BOARD OF DIRECTORS

Section 1. The affairs of the Association shall be managed by its Board of Directors.

Section 2. Effective June 3, 1989, the number of Directors shall be increased from five (5) to seven (7), and the term of office shall evolve to two (2) years as follows: June 3, 1989 – four (4) members shall be elected for two (2) year terms and three (3) elected for one (1) year terms. Thereafter, all Directors shall be elected to two (2) year terms.

Section 3. A regular meeting of the Board of Directors shall be held without other notice than this by-law, immediately after, and at the same place, as the annual meeting of members. Regular monthly meetings will normally be held on the first Saturday at 10:00 a.m. in the Community Center, however the day, time, and place might be changed by a resolution of the Board without other notice.

Section 4. Special meetings of the Board of Directors may be called by or at the request of the President or the majority of directors. The person or persons authorized to call special meetings of the Board may designate other locations in Wildewood for holding any special meeting of the Board.

Section 5. Notice of any special meeting of the Board of Directors shall be given at least five (5) days previously thereto by telephone or written notice delivered personally or sent by mail or telegram to each Director at the address shown by the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a Director at any 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 because the meeting is not lawfully called or convened. The business to be transacted at the meeting need not be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these By-Laws.

Section 6. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board, but if less than a majority of the directors are present at said meeting, a majority of the Directors present may recess the meeting without further notice.

Section 7. The act of a majority of the directors present at a meeting at which a majority of the Board members are present shall be the act of the Board of Directors, unless the act of a number is required by law by these By- Laws.

Section 8. Any vacancy occurring in the Board of Directors shall be filled, for the remainder of the un-expired term, by the affirmative vote of a majority of the remaining directors.

Section 9. Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors any director may be indemnified for expenses and costs, including attorney's fees, actually and necessarily incurred by him/her being or having been such director, except in relation to matters as to which he/she shall have been guilty of negligence or misconduct in respect of the matter in which indemnity is sought.

Section 10. Directors shall procure and maintain adequate liability and hazard insurance of property owned by the Association.

Section 11. The Board of Directors may contract for maintenance, bookkeeping, records keeping, mailing operations, financial services and other services as needed for the efficient operation of the Association affairs. A Board of Director member shall be designated to supervise the activities of each contract.

Section 12. The Board of Directors shall be responsible for overseeing the proper bonding of any or all of its directors or contract services as deemed appropriate.

ARTICLE V. OFFICERS

Section 1. The officers of the Association shall be a President, one Vice-President, and a Secretary/Treasurer and such other officers as may be elected in accordance with the provisions of this article. The Board of Directors may elect or appoint other officers as it shall deem desirable. Such officers shall have the authority and perform the duties prescribed by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary/Treasurer.

Section 2. The officers of the Association shall be elected annually by the Board of Directors at the meeting following the regular annual meeting. If the selection of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his/her successor shall have been duly elected and shall have been qualified.

Section 3. Any officer 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 Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

Section 4. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the Board of Directors for the un-expired portion of the term.

Section 5. The President shall be the principal executive officer of the Association and shall, in general, supervise and control all of the business and affairs of the Association. He/she shall preside at all meetings of The members and of the Board of Directors. He/she may sign, with the Secretary/Treasurer or any other Directors, any deed, mortgages, bonds, contracts, or other instruments that the Board of Directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws or by statute to some other officer or agent of the Association, and, in general, he/she shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. In the absence of the President or in the event of his/her inability or refusal to act, the Vice-President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions on the President. Any Vice-President shall perform such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

Section 7. The Secretary/Treasurer shall keep the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose. Also he/she will be responsible to see that all notices are duly given in accordance with the provisions of the By-Laws or as required by law; be custodian of the Association records and of the seal of the Association and see that the seal is affixed to all documents the execution of which on behalf of the Association under its seal is duly authorized in accordance with the provisions of these By-Laws; keep a register of the Post Office address of each member which shall be furnished to the Secretary/Treasurer by such member; and in general, perform all duties incident to the office of Secretary/Treasurer and such other duties as may be assigned to him/her by the President or by the Board of Directors, from time to time.

The Secretary/Treasurer shall have charge and custody of and be responsible for all funds and securities of the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies, or other depositories as shall be selected by the Board of Directors, and such other duties as may be assigned by the President or by the Board of Directors from time to time, The Secretary/Treasurer shall supervise the contract Financial Administrator if one is hired to perform some or all of his/her duties.

ARTICLE VI. COMMITTEES

Section 1. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate one or more committees, each of which shall consist of two or more Directors,

which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the Association by the designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director of any responsibility imposed on it or him/her by law. A committee duly designated may perform the functions of any officer and the functions of any two or more officers may be performed by a single committee, including the functions of both President and Secretary/Treasurer.

Section 2. Nomination Committee – Nominations for election to the Board of Directors shall be made by this committee. Nominations may also be made from the floor at the annual meeting. The nominating committee shall consist of a chairperson, who shall be a member of the Board of Directors and two or more members of the Association. The nominating committee shall be appointed by the Board of Directors prior to each annual meeting.

Section 3. Audit Committee – An Audit Committee shall be appointed by the Board of Directors and each member shall receive copies of the monthly and annual financial reports. Complete audits shall be made when there is a change in the Secretary/Treasurer or Financial Administrator and such other time as directed by the Board of Directors.

ARTICLE VII. CONTRACTS, CHECKS, DEPOSITS AND FUNDS

Section 1. All expenditures for the maintenance and repairs of the Association's properties must be authorized by the Board of Directors. Expenditures totaling over fifty dollars (\$50) per month per member must be authorized by the Board of Directors in advance at regular meetings, special meetings, or polling by telephone with subsequent confirmation at the next regular meeting.

Section 2. The Board of Directors may authorize any officer or officers, agent or agents of the Association, 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 Association, and such authority may be general or confined to specific instances.

Section 3. All check, drafts, or orders for the payment of money, in behalf of the Association shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors. Such instrument shall be countersigned by the President or Vice-President of the Association.

Section 4. 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.

Section 5. The Board of Directors may accept on behalf of the Association any contribution, gift, bequest, or devise for the general purposes, or for any special purpose, of the Association.

ARTICLE VIII. CERTIFICATES OF MEMBERSHIP

Section 1. The Board of Directors may provide for the issuance of certificates evidencing membership in the Association, which shall be in such form as may be determined by the Board. Such certificates shall be signed by the President, Vice-President, or Secretary-Treasurer. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the Association. If any certificate shall become lost, mutilated, or destroyed, a new certificate may be issued there-for on such terms and conditions as the Board of Directors may determine.

ARTICLE IX. MAINTENANCE CHARGES

Section 1. The Board of Directors, in accordance with the restrictions, may determine from time to time the annual maintenance charges payable to the Association by members.

Section 2. Maintenance charges shall be payable in advance on the first day of January each year.

Section 3. When any member shall be in default in the payment of maintenance and lot cleaning charges for a period of two (2) months from the beginning of the year, his/her membership may thereupon be terminated by the Board of Directors in the manner provided in Article II of the By-Laws, and upon such termination, such terminated member shall no longer have the right to use any of the facilities owned by the corporation, The Board of Directors may subsequently reinstate a member after such delinquent maintenance and lot cleaning charges are paid in full plus any late payment penalties imposed. By the Board.

ARTICLE X. MISCELLANEOUS

Section 1. The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its member, Board of Directors, and committees having any of the authority of The Board of Directors, and shall keep at the registered or principal office, a record giving the names and addresses of the members entitled to vote. All books and records of the Association may be inspected by any member, or his/her agent or attorney for any proper purpose at any reasonable time.

Section 2. The fiscal year of the Association shall begin on the first day of June and end on the last day of May each year.

Section 3. The Board of Directors shall provide an appropriate Association seal.

Section 4. Whenever any notice is required to be given under the provisions of the Texas Non-Profit Corporation Act or under the provisions of the articles of incorporation or the By-Laws of the Association, 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 deemed equivalent to the giving of such notice.

Section 5. Roberts Rules of Order Revised shall govern the proceedings of all meetings of the Association and Its constituent parts except as provided in these By-Laws.

ARTICLE XI. AMENDMENTS

Amendments may be adopted by the vote or written consent of a majority of members entitled to vote or by a Vote of the majority of a quorum at a meeting duly called for the purpose according to the articles or By-Laws.

ARTICLE XII. REVISED BY-LAWS EFFECTIVITY

These revised By-Laws shall become effective immediately upon approval by a majority vote of the Wildewood Owners Association members.

IN WITNESS WHEREOF, WE HAVE HEREUNTO SIGNED OUR NAMES AS PRESIDENT AND SECRETARY OF SAID ASSOCIATION AND AFFIXED THE SEAL OF SAID ASSOCIATION THIS 31ST DAY OF MARCH, 1986.

Joseph W. Haley

PRESIDENT

ATTEST:

June M. Hitt

SECRETARY/TREASURER