

**BYLAWS OF
TYLER OAK CREEK PROPERTY OWNERS ASSOCIATION, INC.**

A Texas Non-Profit Corporation

These Bylaws govern the affairs of Tyler Oak Creek Property Owners Association, Inc., a Texas non-profit corporation (the “**Corporation**”).

ARTICLE 1

DEFINITIONS

- 1.01. For the purpose of these Bylaws the following terms shall have the meanings and definitions given:
- a. “Declaration” shall mean the following restrictive covenants for the Oak Creek Addition dated October 22, 2015, recorded under Clerk’s File No. 20150100050346 of the Official Public Records of Smith County, Texas, together with any and all restatements, amendments, supplements and modifications thereto, as such now exists or be hereafter amended, and including all such Amendments of the Declaration for Units or subdivisions hereafter formed, designed or developed by Declarant, to the extent any such properties are included in the Association.
 - b. “Declarant” means Tyler Oak Creek Development, LLC, together with the person, persons, entities or managers to whom the rights of Declarant have been assigned or the duties thereof have been delegated.
 - c. “Association Limits” means all property described on the Plat.
 - d. “Plat” means the Plat of the Oak Creek Addition recorded in Cabinet E, Slide 339-B of the Plat Records of Smith County, Texas as well as any amended Plat or any Replat of any of the Property, defined below, and any additional Plat that may be filed in the Official Public Records with respect to any of the Property.
 - e. “Property” means the real property as defined in the Declaration.

ARTICLE 2

OFFICES

Principal Office

2.01. The Corporation's principal office in Texas will be located at 2329 Oak Alley, Suite 1, Tyler, Texas 75703. The Corporation may have such other offices, in Texas or elsewhere, as the Board of Directors may determine. The Board may change the location of any office of the Corporation.

Registered Office and Registered Agent

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

ARTICLE 3

MEMBERS

Description of Members

3.01. The Corporation's Members shall be those Lot owners qualifying for membership under the terms of the Declaration. Notwithstanding anything herein to the contrary, membership rights, privileges and duties described in the Declaration shall control in the event of any contradiction with the terms of these Bylaws.

Admission of Members

3.02. Each Owner of a Lot, including the Declarant, shall be a Member of the Corporation, but if the Owner of a Lot shall be more than one person, all such persons, collectively, shall be the Member with respect to that Lot. Membership shall be appurtenant to, and may not be separated from record ownership of a Lot and such membership shall automatically transfer to the new Owner upon any sale, transfer or other disposition of a Lot subject to the provisions hereof. There shall not be more than one Member for each Lot within the Association Limits. Upon any such transfer, sale or other disposition of all or some of the fee interest in a Lot, the then Owner shall automatically become a Member with respect to such Lot. Ownership of a Lot shall be the sole qualification for being a Member of the Corporation.

Membership Fees and Dues

3.03. Membership fees, assessments and special assessments shall be set and established by the Board of Directors in accordance with the provisions of the Declaration. Declarant shall owe no fees, assessments or special assessments unless otherwise required by the Declaration.

Certificates of Membership

3.04. No certification of membership shall be issued by the Corporation. The sole basis for membership is ownership of a Lot in the Oak Creek Addition.

Voting Rights

3.05. Each Member is entitled to vote in accordance with the terms and provisions of the Declaration.

Suspension of Voting Rights

3.06. In the event any Assessment against a Lot remains unpaid for a period of thirty (30) days beyond the due date thereof, subject to the provisions of the Texas Property Code to the contrary, the voting rights of the Owner of said Lot shall be suspended until such Assessment together with all interest or late charges has been paid.

Resolving Disputes

3.07. In any dispute between Members relating to the Corporation's activities, all parties involved will cooperate in good faith to resolve the dispute. If the parties cannot resolve a dispute among themselves, they will cooperate to select one or more mediators to help resolve it. If no timely resolution of the dispute occurs through mediation, any party may demand binding arbitration as provided under the laws of the State of Texas, but only if the parties have met together with a mediator and attempted in good faith to resolve all disputes or differences. This paragraph will also apply to any dispute involving the Corporation as a party. The Board has discretion to authorize using corporate funds for mediating or arbitrating a dispute described in this paragraph.

Sanctioning, Suspending, or Terminating Members

3.08. Subject to the provisions of the Texas Property Code to the contrary, the Board may impose reasonable sanctions on a Member, for good cause after a hearing. Good cause includes any material and serious violation of the Declaration, these Bylaws, or rules, or of law. Voting privileges may be suspended by the Board. The Board, or a committee designated by the Board to handle a matter involving sanctioning, suspension, or expulsion may not take any action against a Member without giving the Member adequate notice and an opportunity to be heard. To be deemed adequate, notice must be in writing and delivered at least fourteen (14) days before the hearing, but shorter notice may be deemed adequate if the Board or a committee designated by the Board to handle a matter involving sanctioning, suspension, or expulsion determines that the need for a timely hearing outweighs the prejudice caused to the Member and if the notice states the need for a timely hearing. If mailed, the notice will be sent by registered or certified mail, return receipt requested. A Member may be represented by counsel at and before the hearing. The Board or a committee designated by the Board to handle a matter involving sanctioning, suspension, or expulsion may impose appropriate sanctions if a majority of Directors, or a majority of any committee designated by the Board to handle a matter involving sanctioning, suspension, or expulsion who are present and voting, approve such action.

Reinstatement

3.09. The Board of Directors or a committee designated by the Board of Directors to handle the matter may reinstate membership rights on any reasonable terms that the Board of Directors or committee deems appropriate.

Transferring Membership

3.10. Membership in the Corporation is transferrable and assignable only in a manner permitted by the Declaration and may be transferred only to the new owner of a Lot, in which instance the transfer of membership is automatic and immediately effective.

Waiving Interest in Corporate Property

3.11. The Corporation owns all real and personal property, including all improvements located on the property, acquired by the Corporation. A Member has no interest in specific property of the Corporation. Each Member waives the right to require partition of all or part of the Corporation's property.

Resignation

3.12. No Member may resign as such from the Corporation while the owner of a Lot. Membership in the Corporation is terminated upon the transfer of a Lot; however, a Member's termination of membership shall not relieve the Member of any obligations to pay any dues, assessments, or other charges that had accrued and were unpaid prior to the effective date of the termination.

ARTICLE 4

MEETINGS OF MEMBERS

Annual Meeting

4.01. Beginning in 2019, the Board will hold an annual Members' meeting at 2:00 o'clock, P.M. on the second Saturday of February of each year or at such other time as designated by the Board. At the annual meeting, the Members will elect Directors and transact any other business that may come before the meeting. If, in any year, the election of Directors is not held on the day designated for the annual meeting, or at any adjournment of the annual meeting, the Board will call a special meeting of the Members, as soon as possible, to elect Directors. If no such meeting is called, the previous Directors shall serve in their capacities as such until replaced.

Special Meetings

4.02. Special meetings of the Members may be called by the President or by any two (2) Members of the Board.

Place of Meeting

4.03. The Board may designate any place as the place of meeting for any annual meeting or for any special meeting called by the Board. If the Board does not designate the place of meeting, the meeting will be held at the Corporation's registered office in Texas.

Notice of Meetings

4.04. Written or printed notice of any Members' meeting, including the annual meeting, will be delivered to each Member entitled to vote at the meeting not less than ten (10) nor more than sixty (60) days before the date of the meeting. Notice shall state the place, day and time of the meeting, who called the meeting, and the general purpose for which the meeting is called. Notice will be given by or at the direction of the President or Secretary, or the officers or persons calling the meeting.

Eligibility to Vote at Members' Meetings

4.05. A Member in good standing is entitled to vote at a meeting of the Members of the Corporation only in accordance with the terms of the Declaration. A Member in good standing is one who has paid all required fees and dues and is not suspended as of the date of the meeting.

Quorum

4.06. Members holding at least one-fifth (1/5) of the votes that may be cast at a meeting who attend the meeting in person, or by proxy, will constitute a quorum at a meeting of Members. The Members present at a duly called or held meeting at which a quorum is present may continue to transact business, even if enough Members leave so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of Members required for a quorum. If a quorum is not present at any time during a meeting, a majority of the Members who are present may adjourn and reconvene the meeting once without further notice.

Actions of Membership

4.07. The membership will try to act by consensus. However, if a consensus is not available on a matter or proposal, a majority voting Members in good standing, present and voting in accordance with the terms of the Declaration and these Bylaws is enough to constitute the act of the membership unless law or the Bylaws require a greater number. Voting will be by ballot, or voice, except that any election of Directors will be by ballot if demanded by any voting Member at the meeting before the voting begins.

Proxies

4.08. A Member entitled to vote at a meeting of Members of the Corporation may vote by proxy. All proxies must be in writing, bear the signature of the Member giving the proxy, and must specify the date on which they are executed. No proxy is valid after thirty (30) days from the date of its execution. Proxies are not valid if they purport to be valid to an indefinite date in the future or if they purport to be valid for more than thirty days from their date of execution.

ARTICLE 5

BOARD OF DIRECTORS

Management of Corporation

5.01. The Board will manage affairs and business of the Corporation.

Number, Qualifications, and Tenure of Directors

5.02. The number of Directors will be no less than three (3) and no greater than seven (7) as determined by the Members. Directors need not be Members of the Corporation. Directors must be residents of the state of Texas. Each Director will serve for a term of two (2) years. The Directors' terms may be staggered. Provided, however, that a representative of the Declarant shall serve on the Board at all times while the Declarant owns any property within the Association Limits.

Nominating Directors

5.03. At any meeting at which the election of a Director is held, any Member may nominate a person from the floor. In addition to nominations made at meetings, a nominating committee may be appointed to consider possible nominees and make nominations for each election of Directors. The Secretary will include the names nominated by that committee, and any report of the committee, with the notice of the meeting at which the election occurs.

Electing Directors

5.04. A person who meets the qualifications for Director and who has been duly nominated may be elected as a Director. Other than the initial Directors, Directors will be elected by a majority of the votes of the Members entitled to vote in accordance with the terms of the Declaration. Each Director will hold office until a successor is elected and qualifies. A Director may be elected to succeed himself or herself as a Director. After the expiration of the terms of the initial Directors, Directors will be elected at the annual meeting of the Members. In electing Directors, Members may not cumulate their votes by giving one candidate as many votes as the number of Directors to be elected or by distributing the same number of votes among any number of candidates. While Declarant owns any property or Lot in Association Limits, a representative appointed by Declarant shall be a member of the Board of Directors.

Vacancies

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

Annual Meeting

5.06. The annual meeting of the Board may be held without notice other than these Bylaws. The annual Board meeting will be held immediately after, and at the same place as, the annual Members' meeting.

Regular Meetings

5.07. The Board may provide for regular meetings by Resolution stating the time and place of such meetings. No notice of regular Board meetings is required other than a Board Resolution stating the time and place of the meetings.

Special Meetings

5.08. Special Board meetings may be called by, or at the request of, the President or any two Directors. The person or persons calling a special meeting will inform the Secretary of the Corporation of the information to be included in the notice of the meeting. The Secretary of the Corporation will give notice to the Directors as these Bylaws require.

Notice

5.09. Written or printed notice of any special meeting of the Board will be delivered to each Director not less than seven (7), nor more than thirty (30) days before the date of the meeting. The notice will state the place, day, and time of the meeting; who called it; and the purpose or purposes for which it is called.

Quorum

5.10. A majority of the number of Directors then in office constitutes a quorum for transacting business at any Board meeting. The Directors present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough Directors leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of Directors required for a quorum. If a quorum is never present at any time during a meeting, a majority of the Directors present may adjourn and reconvene the meeting once without further notice.

Duties of Directors

5.11. Directors will discharge their duties, including any duties as committee members, in good faith, with ordinary care, and in a manner they reasonably believe to be in the Corporation's best interest. In this context, the term "ordinary care" means the care that ordinarily prudent persons in similar positions would exercise under similar circumstances. In discharging any duty imposed or power conferred on Directors, Directors may, in good faith, rely on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Corporation or another person that has been prepared or presented by a variety of persons, including officers and

employees of the Corporation, professional advisors or experts such as accountants or legal counsel. Directors are not deemed to have the duties of trustees of a trust with respect to the Corporation or with respect to any property held or administered by the Corporation, including property that may be subject to restrictions imposed by the donor or transferor of the property.

Delegating Duties

5.12. Directors may select a manager and delegate duties and responsibilities to the manager. The Directors have no liability for actions taken or omitted by the manager if the Board acts in good faith and with ordinary care in selecting the manager. The Board may remove or replace the manager at any time and without any cause whatsoever.

Interested Directors

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

Actions of Board of Directors

5.14. The Board will try to act by consensus. However, if a consensus is not available, the vote of a majority of Directors present and voting at a meeting at which a quorum is present is enough to constitute the act of the Board, unless the act of a greater number is required by law or by some other provision of these Bylaws. A Director who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the Board's decision.

Proxies

5.15. A Director may not vote by proxy.

Compensation

5.16. Directors may not receive salaries for their services. The Board may adopt a Resolution providing for paying Directors a fixed sum and expenses of attendance, if any, for attending each Board meeting. A Director may serve the Corporation in any other capacity and receive compensation for those services. Any compensation that the Corporation pays to a Director will be reasonable and commensurate with the services performed.

Removal of a Director

5.17. A Director may be removed by (i) the majority vote of all of the Directors or (ii) by the majority vote of the Members at an annual or special meeting of the Members at which a quorum is present. The vacancy left by a Director who is removed from office will be filled as provided in Section 5.05, above.

ARTICLE 6

OFFICERS

Officer Positions

6.01. The Corporation's officers will be a President, one or more Vice-Presidents, at the discretion of the Board, a Secretary and a Treasurer. The Board may create additional officer positions, define the authority and duties of each such position, and elect or appoint persons to fill the positions. The same person may hold any two or more offices, except for President and Secretary.

Election and Term of Office

6.02. The Corporation's officers will be appointed annually by the Board at the annual Board meeting. If officers are not appointed at this time, they will be appointed as soon thereafter as possible. Each officer will hold office until a successor is duly selected and qualifies.

Removal

6.03. Any officer elected or appointed by the Board may be removed by the Board with or without good cause. Removing an officer will be without prejudice to the officer's contractual rights, if any.

Vacancies

6.04. The Board will select a person to fill a vacancy in any office for the unexpired portion of the officer's term.

President

6.05. The President is the Corporation's chief executive officer. He or she will supervise and control all of the Corporation's business and affairs and will preside at all meetings of the Members and of the Board. The President may execute any deeds, mortgages, bonds, contracts, or other instruments that the Board authorizes to be executed. However, the President may not execute instruments on the Corporation's behalf if this power is expressly delegated to another officer or agent of the Corporation by the Board, these Bylaws, or statute. The President will perform other duties prescribed by the Board and all duties incident to the office of President.

Vice President

6.06. When the President is absent, cannot act, or refuses to act, a Vice President (if any has been appointed by the Board) will perform the president's duties. When acting in the president's place, the Vice President has all the powers of-and is subject to all the restrictions on-the President. A Vice President will perform other duties as assigned by the President or Board.

Treasurer

6.07. The Treasurer will:

- (a) Have charge and custody of-and be responsible for-all the Corporation's funds and securities.
- (b) Receive and give receipts for moneys due and payable to the Corporation from any source.
- (c) Deposit all moneys in the Corporation's name in banks, trust companies, or other depositories as these Bylaws provide or as the Board or President directs.
- (d) Write checks and disburse funds to discharge the Corporation's obligations. However, funds may not be drawn from the Corporation or its accounts without the signature of Declarant (or if Declarant owns no Lot or property in the Association Limits, then the President or vice-president) in addition to the signature of the Treasurer.
- (e) Maintain the Corporation's financial books and records.
- (f) Prepare financial reports at least annually.
- (g) Perform other duties as assigned by the President or the Board.
- (h) If the Board requires, give a bond for faithfully discharging his or her duties in a sum and with a surety as determined by the Board.

- (i) Perform all of the duties incident to the office of Treasurer.

Secretary

6.08. The Secretary will:

- (a) Give all notices as provided in the Bylaws or as required by law.
- (b) Take minutes of the meetings of the Members and the Board and keep the minutes as part of the corporate records.
- (c) Maintain custody of the corporate records and seal.
- (d) Affix the corporate seal to all documents as authorized.
- (e) Keep a register of the mailing address of each Member, Director, officer, and employee of the Corporation.
- (f) Perform duties as assigned by the President or the Board.
- (g) Perform all duties incident to the office of Secretary.

ARTICLE 7

COMMITTEES

Establishing Committees

7.01. The Board may adopt a Resolution establishing one or more committees delegating specified authority to a committee, and appointing or removing members of a committee. A committee will include two or more Directors and may include persons who are not Directors. If the Board delegates any of its management authority to a committee, the majority of the committee will consist of Directors. The Board may also delegate to the President its power to appoint and remove members of a committee that has not been delegated any management authority of the Board. The Board may establish qualifications for membership on a committee. Establishing a committee or delegating authority to it will not relieve the Board, or any individual Director, of any responsibility imposed by these Bylaws or otherwise imposed by law. No committee has the authority of the Board to:

- (a) Amend the Certificate of Formation.
- (b) Adopt a plan of merger or of consolidation with another corporation.
- (c) Authorize the sale, lease, exchange, or mortgage of all or substantially all of the Corporation's property and assets.
- (d) Authorize voluntary dissolution of the Corporation.
- (e) Revoke proceedings for voluntary dissolution of the Corporation.
- (f) Adopt a plan for distributing the Corporation's assets.
- (g) Amend, alter, or repeal these Bylaws.
- (h) Elect, appoint, or remove a Member of a committee or a Director or officer of the Corporation.
- (i) Approve any transaction to which the Corporation is a party and that involves a potential conflict of interest.

- (j) Take any action outside the scope of authority delegated to it by the Board.
- (k) Take final action on a matter requiring membership approval.

Term of Office

7.02. Each committee member will continue to serve on the committee until the next annual Members' meeting and until a successor is appointed. However, a committee member's term may terminate earlier if the committee is terminated, or if the committee member dies, ceases to qualify, resigns, or is removed as a committee member. A vacancy on a committee may be filled by an appointment made the same way as an original appointment. One appointed to fill a vacancy on a committee will serve for the unexpired portion of the terminated committee member's term.

Chair and Vice-Chair

7.03. One member of each committee will be designated as the committee chair, and another member of each committee will be designated as the vice-chair. The chair and vice-chair will be appointed by the President. The chair will call and preside at all meetings of the committee. When the chair is absent, cannot act, or refuses to act, the vice-chair will perform the chair's duties. When a vice-chair acts for the chair, the vice-chair has all the powers of-and is subject to all the restrictions on-the chair.

Notice of Meetings

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

Quorum

7.05. One-half (1/2) of the number of committee members constitutes a quorum for transacting business at any meeting of the committee. The committee members present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough committee members leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of committee members required for a quorum. If a quorum is never present at any time during a meeting, the chair may adjourn and reconvene the meeting once without further notice.

Actions of Committees

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

Proxies

- 7.07. A committee member may not vote by proxy.

ARTICLE 8

TRANSACTIONS OF CORPORATION

Contracts

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

Deposits

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

Gifts

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

Potential Conflicts of Interest

8.04. The Corporation may not make any loan to a Director or officer of the Corporation. A Member, Director, officer, or committee member of the Corporation may lend money to and otherwise transact business with the Corporation except as otherwise provided by these Bylaws, the articles of incorporation, and applicable law. Such a person transacting business with the Corporation has the same rights and obligations relating to those matters as other persons transacting business with the Corporation.

Prohibited Acts

8.05. As long as the Corporation exists, and except with the Board's prior approval, no Member, Director, officer, or committee member of the Corporation may:

- (a) Do any act in violation of these Bylaws or a binding obligation of the Corporation.
- (b) Do any act with the intention of harming the Corporation or any of its operations.
- (c) Do any act that would make it impossible or unnecessarily difficult to carry on the Corporation's intended or ordinary business.
- (d) Receive an improper personal benefit from the operation of the Corporation.
- (e) Use the Corporation's assets, directly or indirectly, for any purpose other than carrying on the Corporation's business.
- (f) Wrongfully transfer or dispose of Corporation property, including intangible property such as good will.
- (g) Use the Corporation's name (or any substantially similar name) or any trademark or trade name adopted by the Corporation, except on behalf of the Corporation in the ordinary course of its business.
- (h) Disclose any of the Corporation's business practices, trade secrets, or any other information not generally known to the business community to any person not authorized to receive it.

ARTICLE 9

BOOKS AND RECORDS

Required Books and Records

9.01. The Corporation will keep correct and complete books and records of account. The books and records include:

- (a) A file-endorsed copy of all documents filed with the Texas Secretary of State relating to the Corporation, including but not limited to the articles of incorporation, and any articles of amendment, restated articles, articles of merger, articles of consolidation, and statement of change of registered office or registered agent.
- (b) A copy of all Bylaws, including these Bylaws, and any amended versions or amendments to them.
- (c) Minutes of the proceedings of the Members, Board, and committees having any of the authority of the Board.
- (d) A list of the names and addresses of the Members, Directors, officers, and any committee members of the Corporation.
- (e) All rulings, letters, and other documents relating to the Corporation's federal, state, and local tax status.
- (f) The Corporation's federal, state, and local tax information or income-tax returns for each of the Corporation's three most recent tax years.
- (g) All records and documents required to be kept and maintained by a Property Owners' Association as provided in the Texas Property Code.

Inspection and Copying

9.02. Any Member, Director, officer, or committee member of the Corporation may inspect and receive copies of all the corporate books and records required to be kept under the Bylaws. Such a person may, by written request, inspect or receive copies if he or she has a proper purpose related to his or her interest in the Corporation. He or she may do so through his or her attorney or other duly authorized representative. The inspection may take place at a reasonable time, no sooner than five working days after the Corporation receives a proper written request. The Board may establish reasonable copying fees, which may cover the cost of materials and labor.

Audits

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

ARTICLE 10

FISCAL YEAR

10.01. The Corporation's fiscal year of the Corporation will begin on the first day of January and end on the last day in December in each year.

ARTICLE 11

INDEMNIFICATION

When Indemnification Is Required, Permitted, and Prohibited

11.01. (a) The Corporation will indemnify a Director, officer, Member, committee member, employee, or agent of the Corporation who was, is, or may be named defendant or respondent in any proceeding as a result of his or her actions or omissions within the scope of his or her official capacity in the Corporation. For the

purposes of this article, an agent includes one who is or was serving at the Corporation's request as a Director, officer, partner, venturer, proprietor, trustee, partnership, joint venture, sole proprietorship, trust, employee-benefit plan, or other enterprise.

(b) The Corporation will indemnify a person only if he or she acted in good faith and reasonably believed that his or her conduct was in the Corporation's best interests. In case of a criminal proceeding, the person may be indemnified only if he or she had no reasonable cause to believe that the conduct was unlawful. The Corporation will not indemnify a person who is found liable to the Corporation or is found liable to another on the basis of improperly receiving a personal benefit from the Corporation. A person is conclusively considered to have been found liable in relation to any claim, issue, or matter if the person has been adjudged liable by a court of competent jurisdiction and all appeals have been exhausted. Termination of a proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent does not necessarily preclude indemnification by the Corporation.

(c) The Corporation will pay or reimburse expenses incurred by a Director, officer, Member, committee member, employee, or agent of the Corporation in connection with the person's appearance as a witness or other participation in a proceeding involving or affecting the Corporation when the person is not a named defendant or respondent in the proceeding.

(d) In addition to the situations otherwise described in this paragraph, the Corporation may indemnify a Director, officer, Member, committee member, employee, or agent of the Corporation to the extent permitted by law. However, the Corporation will not indemnify any person in any situation in which indemnification is prohibited by paragraph 10.01(a), above.

(e) The Corporation may advance expenses incurred or to be incurred in the defense of a proceeding to a person who might be eventually be entitled to indemnification, even though there has been no final disposition of the proceeding. Advancement of expenses may occur only when the procedural conditions specified in paragraph 10.03(c), below, have been satisfied. Furthermore, the Corporation will never advance expenses to a person before final disposition of a proceeding if the person is a named defendant or respondent in a proceeding brought by the Corporation or one or more Members or if the person is alleged to have improperly received a personal benefit or committed other wilful or intentional misconduct.

Extent and Nature of Indemnity

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

Procedures Relating to Indemnification Payments

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

- (i) Majority vote of a quorum consisting of Directors.
- (ii) Determination by special legal counsel selected by the Board.

(b) The Corporation will authorize indemnification and determine that expenses to be reimbursed are reasonable in the same manner that it determines whether indemnification is permissible. If special legal counsel determines that indemnification is permissible, authorization of indemnification and determination of reasonableness of expenses will be made as specified by subparagraph (a)(iii), above, governing selection of special legal counsel. A provision contained in the articles of incorporation, or a Resolution of Members or the

Board that requires the indemnification permitted by paragraph 10.01, above, constitutes sufficient authorization of indemnification even though the provision may not have been adopted or authorized in the same manner as the determination that indemnification is permissible.

(c) The Corporation will advance expenses before final disposition of a proceeding only after it determines that the facts then known would not preclude indemnification. The determination that the facts then known to those making the determination would not preclude indemnification and authorization of payment will be made in the same manner as a determination that indemnification is permissible under subparagraph (a), above.

In addition to this determination, the Corporation may advance expenses only after it receives a written affirmation and undertaking from the person to receive the advance. The person's written affirmation will state that he or she has met the standard of conduct necessary for indemnification under these Bylaws. The written undertaking will provide for repayment of the amounts advanced by the Corporation if it is ultimately determined that the person has not met the requirements for indemnification. The undertaking will be an unlimited general obligation of the person, but it need not be secured and may be accepted without reference to financial ability to repay.

ARTICLE 12

NOTICES

Notice by Mail or E-Mail

12.01. Any notice required or permitted by these Bylaws to be given to a Member, Director, officer, or member of a committee of the Corporation may be given by mail or e-mail. If mailed, a notice is deemed delivered when deposited in the mail addressed to the person at his or her address as it appears on the corporate records, with postage prepaid. If given by e-mail, a notice is deemed delivered when received by the addressee. A person may change his or her address in the corporate records by giving written notice of the change to the Secretary of the Corporation.

Signed Waiver of Notice

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

Waiving Notice by Attendance

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

ARTICLE 13

SPECIAL PROCEDURES CONCERNING MEETINGS

Meeting by Telephone

13.01. The Board of Directors, and any committee of the Corporation may hold a meeting by telephone conference-call procedures.

Decision Without Meeting

13.02. Any decision required or permitted to be made at a meeting of the Board, or any committee of the Corporation may be made without a meeting. A decision without a meeting may be made if a written consent to the decision is signed by all the persons entitled to vote on the matter. The original signed consents will be placed in the Corporation minute book and kept with the corporate records.

Proxy Voting

13.03. A person authorized to exercise a proxy may not exercise the proxy unless it is delivered to the officer presiding at the meeting before the business of the meeting begins. The Secretary or other person taking the minutes of the meeting will record in the minutes the name of the person who executed the proxy and the name of the person authorized to exercise the proxy. If a person who has duly executed a proxy personally attends a meeting, the proxy will not be effective for that meeting. A proxy filed with the Secretary of the Corporation or other designated officer remains in force until the first of the following occurs:

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

ARTICLE 14

AMENDING BYLAWS

These Bylaws may be altered, amended, or repealed, and new Bylaws may be adopted by the Board of Directors provided, however, that no amendments shall be made without the consent of Declarant if Declarant owns any Lot within the Association Limits. The notice of any meeting at which these Bylaws are altered, amended, or repealed, or at which new Bylaws are adopted will include the text of the proposed bylaw provisions as well as the text of any existing provisions proposed to be altered, amended, or repealed. Alternatively, the notice may include a fair summary of those provisions.

Following the expiration of the terms of the initial Board of Directors, the following types of bylaw amendments may be adopted only by the Members:

- (a) Setting or changing the authorized number of Directors.
- (b) Changing from a fixed number to a variable number of Directors or vice versa.
- (c) Increasing or extending the Directors' terms.
- (d) Increasing the quorum for membership meetings.
- (e) Repealing, restricting, creating, expanding, or otherwise changing the Members' proxy rights.
- (f) Authorizing or prohibiting cumulative voting.

ARTICLE 15

MISCELLANEOUS PROVISIONS

Legal Authorities Governing Construction of Bylaws

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

Legal Construction

15.02. To the greatest extent possible, these Bylaws shall be construed to conform to all legal requirements and all requirements for obtaining and maintaining all tax exemptions that may be available to nonprofit corporations. If any bylaw provision is held invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or

unenforceability will not affect any other provision, and the Bylaws will be construed as if they had not included the invalid, illegal, or unenforceable provision.

Headings

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

Number

15.04. All singular words include the plural, and all plural words include the singular.

Parties Bound

15.05. The Bylaws will bind and inure to the benefit of the Members, Directors, officers, committee members, employees, and agents of the Corporation and their respective heirs, executors, administrators, legal representatives, successors, and assigns except as the Bylaws otherwise provide.

Additions to Association Limits

15.06. The Declarant is authorized under the terms of the Declaration to create additional subdivision units which would become a part of the Association Limits. The Corporation hereby accepts, to the extent any such acceptance is necessary, any additional subdivision units designated by the Declarant to be within the Association Limits. All such supplemental designations shall have the effect of adding the Lot owners thereof as Members of the Corporation, without the necessity of further action on the part of the Corporation.

Conflict with Texas Property Code

15.07. In the event of any conflict between any provision of these Bylaws and the Texas Property Code, the provisions of the Texas Property Code shall control.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of Tyler Oak Creek Property Owners Association, Inc., and that these Bylaws constitute the Corporation's Bylaws. These Bylaws were duly adopted at a meeting of the Board of Directors.

Dated effective as of October _____, 2017.

BY: _____
JASON McMILLIN, Secretary