

RESTATED BYLAWS OF TALL TREE PROPERTY OWNERS
ASSOCIATION

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ARTICLE I

REGISTERED OFFICE, AGENT AND DEFINITIONS

Section 1.1 The registered office of the Association shall be at 60 Cypress Creek Drive, Mt. Vernon, Franklin County, Texas 75457.

Section 1.2 The name of the registered agent of the Association at such address is the Board President.

Section 1.3 The Association may also have offices at such other places within and without the State of Texas as the Board of Directors may, from time to time, determine, or the business of the Association may require.

Section 1.4 Definitions:

“Association” shall mean and refer to TALL TREE PROPERTY OWNERS ASSOCIATION, its successors and assigns.

“Properties” shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions, and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

“Common Area” shall mean all real property owned by the Association for common use and enjoyment of the Owners.

“Lot” shall mean and refer to any plot of land shown on any recorded subdivision map of the Properties with the exception of the Common Area.

“Owner” shall mean and refer to the recorded owner, whether one or more persons or entities, of the fee simple title or 99-year lease or extension thereof to any Lot which is part of the Properties with the exception of the Common Area.

“Declaration” shall mean and refer to the Declaration of Covenants, Conditions, and Restrictions applicable to the Properties recorded in the office of the County Clerk, Franklin County, Texas.

“Member” shall mean and refer to any person or entity that is a record owner of a fee or undivided fee interest in any Lot, which is subject by covenants of record to assessment by the Association. The foregoing is

not intended to include persons or entities that hold interest merely as security for the performance of an obligation.

ARTICLE II

BOARD OF DIRECTORS

- Section 2.1 The business and affairs of the Association shall be managed by its Board of Directors.
- Section 2.2 The number of directors shall be seven (7). The number of directors may be decreased (but not to less than three (3) from time to time by amendment to these By-Laws, but no decrease shall have the effect of shortening the term of any incumbent director.
- Section 2.3 At the first annual meeting of members, the members shall elect directors to hold office until the next succeeding annual meeting. Each director shall hold office for the term for which he/she is elected for three years and until his/her successor shall be elected and shall qualify. Directors shall be elected in a two (2) directors in the first year (2005), then three (3) directors the following year (2006), and two (2) more the year after that (2007), format. No director shall be eligible for re-election to the Board until two years have elapsed after a director's three year term.
- Section 2.4 Removal: Any director may be removed from the Board with or without cause by a majority vote of the members of the Association. Any director may be removed by two-thirds vote of the board if he is absent without an acceptable excuse for three (3) consecutive regularly scheduled meetings of the Board. In the event of death, resignation or removal of a director, a successor shall be selected by the Board to serve out the unexpired term.
- Section 2.5 Compensation: No director shall receive compensation for any service he renders to the Association. However, any director may be reimbursed for actual expenses incurred in the performance of official duties.

ARTICLE III

MEETINGS: PLACE, PURPOSE

- Section 3.1 Meetings of the Board of Directors shall be held at the registered office of the Association or at such other place within or without the State of Texas, as may be stated in the notice of meeting or in duly executed waiver or notice thereof.

Section 3.2 An annual meeting of the members for the purpose of election of directors and transacting such other business as may properly be brought before the meeting, shall be held on a Saturday in October, at a time, as stated in a notice of the meeting.

Section 3.3 Special meetings of the Board of Directors may be called by or at the request of the president or any director. Notice of the call of a special meeting shall be in writing and delivered for transmission to each of the directors not later than during the (3rd) day immediately preceding the day for which such meeting is called. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the director at his/her address as it appears in the records of the Association, with the postage prepaid. Neither the business proposed to be transacted, nor the propose of any special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 3.4 Any action required or permitted to be taken at a meeting of the Board of Directors or any executive committee may be taken without a meeting if consent in writing setting forth the action so taken shall be signed by all of the members of the Board of Directors or executive committee, as the case may be. Such consent shall have the same force and effect as a unanimous vote at a meeting, and may be stated as such in any document or instrument filed with the Secretary of State.

ARTICLE IV

OFFICERS

Section 4.1 The officers of the association shall be selected from among the Board of Directors. The officers of the association shall be a president, a vice-president, a secretary and a treasurer. The Board of Directors may also choose additional vice-presidents, and one or more assistant secretaries, and assistant treasurers, and other offices so long as the office of president and secretary are not held by the same person.

Section 4.2 The officers of the Association shall be determined as follows: The Vice President shall succeed the President; the Vice President, Secretary and Treasurer shall be appointed by the President as vacancies occur. Vacancies or new offices shall be filled at any meeting of the Board of Directors, to serve until the next election of officers. Each officer shall hold office until his/her successor has been elected and qualifies, or until death, resignation or removal of the officer.

Section 4.3 The Board of Directors may appoint such other officers and agents, as it deems necessary. Such officers and agents shall be appointed for such

terms, and shall exercise such powers and perform such duties as may be determined from time to time by the Board of Directors.

Section 4.4 Any officer or agent elected or appointed by the Board of Directors, or member of any executive committee, may be removed at any time by the affirmative vote of a majority of the whole Board of Directors. Such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment shall not, of itself, create any contract right.

Section 4.5 The **president** shall be the chief executive officer of the association, and subject to the direction of the Board of Directors, shall supervise and control the business and affairs of the Association. He shall reside at all meetings of the Board of Directors. He shall see that all orders and resolutions of the Board of Directors are carried into effect, and shall perform such other duties as the Board of Directors may prescribe.

Section 4.6 The **vice-president** shall act in the place and stead of the president in the event of the President's absence, inability or refusal to act, and the vice-president shall exercise and discharge such other duties as may be required of him by the Board. He/she shall be authorized to co-sign checks in the absence of either the President or Treasurer.

Section 4.7 The **secretary** shall attend all meetings of the Board of Directors. He/she shall keep a true and complete record of the proceedings, including all votes and resolutions presented at these meetings, in a book to be kept for that purpose. He/she shall be custodian of the records of the Association and its seal, and shall affix the same to documents, the execution of which is duly authorized. He/she shall give or cause to be given all notices required by law or these By-Laws. He/she shall also perform such other duties prescribed by the Board of Directors or the President.

Section 4.8 The **treasurer** shall have custody of the funds of the Association and securities, and shall keep full and accurate records and accounts of receipts and disbursements of the Association, and shall deposit all monies and other valuable depositories as may be designated by the Board of Directors. If the Board of Directors does not elect to appoint a treasurer, then the secretary shall succeed to these responsibilities.

Section 4.9 In the absence of the secretary and/or the treasurer, an assistant secretary or assistant treasurer, shall perform the duties of the secretary or treasurer.

Section 4.10 Committees: The President may establish committees to serve the association during his/her term of office.

ARTICLE V

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Powers: The Board of Directors shall have power to:

Section 5.1 Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof. The board may make special penalty assessments to members for repeated violations of such rules and regulations.

Section 5.2 Suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association or the Association's predecessor. Such right may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations.

Section 5.3 Exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation or the Declaration.

Section 5.4 Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties and compensation.

Duties: It shall be the duty of the Board of Directors to:

Section 5.1a Cause to be kept a complete record of all acts and corporate affairs and to present a statement thereof to the members at the annual meeting.

Section 5.2a Supervise all officers, agents and employees of the Association, and to see that their duties are properly performed.

Section 5.3a As more fully provided in the Declaration, to:
1). Fix the amount of the Road, Operation and Maintenance assessment and/or any special assessment against each Lot at least thirty (30) days in advance of each assessment;
2). Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each assessment; and

3). Foreclose the lien against any property for which assessments are not paid within ninety (90) days after due date or to bring action at law against the owner personally obligated to pay the same.

- Section 5.4a Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.
- Section 5.5a Procure and maintain adequate liability and hazard insurance on property owned by the Association.
- Section 5.6a Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.
- Section 5.7a Cause the Common Area to be maintained.
- Section 5.8a Cause the exterior of the POA dwellings and their surroundings to be maintained.
- Section 5.9a Purchase (or otherwise accept), mortgage, sell, dedicate (or otherwise dispose of) any property, real or personal, within the confines of Tall Tree.
- Section 5.10a Borrow money within the provisions of the Tall Tree Articles of Incorporation.

ARTICLE VI

MISCELLANEOUS

- Section 6.1 The Board of Directors may authorize any officer or officers, agent or agents, 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 6.2 The fiscal year of the Association shall begin on the first day of January in each year, and shall end on the thirty-first day of December of each year.
- Section 6.3 The Board of Directors shall provide a corporate seal in the form of a circle, and shall have inscribed thereon the name of the corporation, substantially as follows:

Tall Tree Property Owners Association

- Section 6.4 The articles of Incorporation may be amended in the following manner:

“The Board of Directors shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of Members, which may be either an annual or special meeting. The proposed amendment shall be adopted upon receiving at least two thirds (2/3rd) of the total votes entitled to be cast. Any amendments to the Articles shall comply with then current Texas Law.

- Section 6.5 In the case of any conflict between the Articles of Incorporation of this Association and these By-Laws, the Articles of Incorporation shall control; and in the case of any conflict between the Declaration of Covenants of this Association and these By-Laws, the Declaration of Covenants shall control.
- Section 6.6 The precedence of, and procedure on, motions and other procedural matters at the meetings will be governed by Robert’s Rules of Order insofar as those rules are consistent with law, with the association’s Articles of Incorporation, the Declaration of Covenants and with these By-Laws.
- Section 6.7 Each property owner in the Tall Tree Development, holding title to a lot in any phase of the development, shall be a member of the Tall Tree Property Owners Association. If there are multiple owners of any lot, the owners collectively shall have only one vote as to all matters submitted to the membership. Multiple ownership of lots will not entitle a member to more than one vote on any matter submitted to the membership for consideration.
- Section 6.8 The Board of Directors, as representatives of the membership, shall enforce the Covenants of the Development, and shall take all other action as necessary to carry out the purpose set forth in the charter of the Association which is organized as a Texas nonprofit corporation.
- Section 6.9 A quorum, pursuant to Texas Law, of the members entitled to vote, present in person or represented by proxy shall be requisite and shall constitute a quorum at meetings of the membership for the transaction of business except as otherwise provided by statute, by the articles of incorporation or by these bylaws. If a quorum is not present or represented at a meeting of the membership, the members entitled to vote, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present or represented; any business may be transacted which might have been transacted at the meeting as originally notified.

ARTICLE VII

ALTERATIONS/AMENDMENTS TO BY-LAWS

Section 7.1 These By-Laws may be altered, amended, or repealed at any meeting of the Board, provided notice of the proposed alteration, amendment or repeal be contained in the notice of such meeting.

These restated By-Laws adopted pursuant to approval of a majority vote of the members of the Association, voting in person and by proxy, at a meeting of the membership at which a quorum was represented to do business. To be effective as of the 11th day of July 2006, to which witness our hands as the duly elected directors of the Association.

Signed this 11th day of July 2006 by all duly elected directors of the Association.