



**BYLAWS OF  
OWNERS' ASSOCIATION OF SUGAR CREEK, INC.**

Article 1  
**DEFINITIONS**

**"Association" Defined**

1.01 The word "Association" means the Owners' Association of Sugar Creek, Inc., a membership Texas Non-Profit Corporation.

**"Building Site" Defined**

1.02 The words "Building Site" mean a building site as defined in any declaration of covenants, conditions or restrictions affecting the portion of said property on which the building site is located.

**"Property" Defined**

1.03 The word "Property" means the real property located in McLennan County, Texas more particularly described as Sugar Creek Addition to the City of Woodway, McLennan County, Texas, according to the plats of said addition recorded in Real Estate Records of McLennan County, Texas.

Article 2  
**APPLICABILITY OF BYLAWS**

**Corporate Application**

2.01 These Bylaws contain provisions for the regulation and management of the affairs of the Association to the extent that they are consistent with law and the Association's Articles of Incorporation.

**Personal Application**

2.02 All present or future owners, present or future tenants, their employees or other persons that use in any manner the Property over which the Association has jurisdiction are subject to the regulations set forth in these Bylaws, or elsewhere including, but not limited to the Restrictive Covenants, and the rules and regulations of the Association. The acquisition or rental of any of the units that are part of the Association, or the act of occupancy of a unit, signifies that these Bylaws, Restrictive Covenants, and the rules and regulations of the Association are accepted and ratified and will be complied with by the purchaser, tenant, or occupant.

Article 3  
**OFFICES**

**Principal Office**

3.01 The principal office of the corporation is located in the City of Woodway, McLennan County, Texas.

**Registered Office and Registered Agent**

3.02 The corporation has and continuously maintains a registered agent whose office is identical with the registered office, as required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be, identical with the principal office of the corporation and the address of the registered office may be changed from time to time by the Board of Directors.

Article 4  
**FISCAL YEAR**

The Association's fiscal year begins on January 1 of each calendar year.

Article 5  
**MEMBERSHIP**

**Qualification for Membership**

5.01 The members of this corporation are all persons who are owners of record of any Building Site located in said Property.

**Termination of Membership**

5.02 A Member's membership in this corporation lapses and terminates when the member ceases to be an owner of record of a Building Site in said Property.

Article 6  
**VOTING RIGHTS**

In all matters which come before the Members of the Association, a Member's right to vote is governed by *Article III MEMBERSHIP IN THE ASSOCIATION, OF THE Restrictive Covenants* files in Volume 1311, Page 758 of the McLennan County Deed Records, except in no case may a Member vote whose Association dues are not current.

Article 7  
**MEETINGS OF THE MEMBERS**

**Annual Meeting**

7.01 The annual meeting of the Members of the Owners' Association of Sugar Creek is held each year during the month of September or October. The exact day in September or October of the annual meeting of the Members is determined annually by the Board of Directors at their regular July meeting preceding the next annual meeting of the Members. If a quorum is not present at the July meeting of the Board of Directors, the Board shall call a special meeting within 14 days of the date of their July meeting for the purpose of setting the exact day of the annual meeting of the Members.

**Special Meetings**

7.02 Special meetings of the Members of the Association may be called at any time by the President acting on his or her own initiative or upon receipt by the President of the written request of any officer of the corporation; by the Board of Directors of the corporation; or by Members of the Association having not less than one-tenth of the votes entitled to be cast at such meeting.

**Place**

7.03 Each annual or special meeting of the members of the Association must be held on the Property or at a meeting place as close to the Property as possible, as the Board of Directors may specify in writing.

**Notice of Meetings**

7.04 Notice of each annual and each special meeting shall be given in writing to each Member by the Secretary. Written notice may be given to the Members either personally by delivery to their residence, by facsimile transmission, e-mail, or by mail, by or at the direction of the President, or the Secretary, or the officer or persons calling the meeting, at least 10 but not more than 60 days before the meeting. If mailed, the notice is deemed to be delivered when deposited in the United States mail, postage paid and addressed to the Member at his or her address as it appears on the records of the Association. If sent by e-mail, notice is deemed to be delivered if the message is successfully sent to the e-mail address on record. If transmitted by facsimile, notice is deemed to be delivered on successful transmission of the facsimile. The notice of each annual meeting of the Members must specify the place, day, and hour of the meeting, and the purpose or purposes for which the meeting is called.

**Quorum**

7.05 The presence in person or by written proxy of forty percent (40%) of the members of the Association constitutes a quorum for the transaction of business.

**Voting Requirement**

7.06 The vote of the majority of the votes entitled to be cast by the Members present in person or by written general proxy at a meeting at which a quorum is present is the act of the Members meeting, unless a greater number is required by law.

### **Validity of Business Transacted at Meeting Not Called or Noticed in Accordance with these Bylaws**

7.07 The transaction of business at any meeting of the Members of the Association however called or noticed is as valid as though it had been transacted at a meeting duly held after regular call and notice, if a quorum was present in person or by written general proxy and if either before or after the meeting each member who was not present signs a written waiver of notice, or a written consent to the holdings of such meeting, or written approval of the minutes thereof. All such waivers, consents, or approvals must be filed with the corporate records and made a part of the minutes of the meeting.

### **Order of Business at Annual Meeting of the Members**

7.08 The order of business at each annual meeting of the Members of the Association must be as follows:

- (a) Roll Call
- (b) Proof or notice of meeting or waiver of notice
- (c) Reading of Minutes of preceding meeting
- (d) Reports of officers
- (e) Reports of committees
- (f) Election of directors
- (g) Unfinished business
- (h) New business

### **Action Without Meeting**

7.09 Any action required by law to be taken at a meeting of the Members or any action that may be taken at a meeting of the Members may be taken without a meeting of the Members if a consent in writing, setting forth the action so taken, is signed by eighty percent (80%) of the Members and filed with the Secretary of the Association.

### **Rules Governing the Transaction of Business**

7.10 Each meeting of the Members must be conducted in accordance with the most recent edition of Robert's Rules of Order insofar as such rules are consistent with applicable law, the Articles of Incorporation of the Association, and these Bylaws.

## Article 8 **COMMITTEES**

The Board of Directors shall by resolution (a) appoint all committees of the Association and (b) by a written job description define the duties of each committee. No committee of the Association or of the Board shall have the full authority of the Board of Directors.

## Article 9 **BOARD OF DIRECTORS**

### **Management of the Association**

9.01 The affairs of the Association are managed by a Board of Directors.

### **Number and Qualification**

9.02 The affairs of the Association are managed by a board of directors consisting of six (6) persons. Each Director must be a Member of the Association. The dues owed to the Association by a Director must be current at the time of election to the board and must remain current at all times during the Director's term of service on the board.

### **Election**

9.03 The Members of the Association shall elect two (2) Directors at each Annual Meeting of the Members and each Director shall serve for three (3) years.

### **Nomination**

9.04 Nominees for open positions on the Board of Directors will be determined by a Nominating Committee, which will be appointed by the President at the July Board meeting. The Nominating Committee will report a proposed slate of Directors at the August Board meeting. After acceptance by the Board, these nominees will be named in the notice of the Annual Meeting that is presented to each Member. Members may nominate other Members for election to the Board of Directors from the floor at the annual meeting of the Members.

### **Term**

9.05 The term of office of a Director of the Association is three (3) years from the date of election or until his or her successor is elected and qualified, whichever is longer. A Director may serve no more than two successive terms.

### **Removal**

9.06 The Members may remove a Director from office for cause by an affirmative vote of two-thirds of the votes entitled to be cast by the Members present at a meeting at which a quorum is present.

### **Vacancies**

9.07 Vacancies in the Board of Directors shall be filled by a vote of a majority of the remaining Directors though less than a quorum, and each Director so elected shall hold office for the unexpired term of his or her predecessor.

The Members shall fill a directorship created by reason of an increase in the number of directors at an annual meeting of the Members or at a special meeting of the Members called for that purpose.

### **Compensation**

9.08 Directors serve without compensation; however, a Director may be reimbursed by the Board for actual expenses incurred by the Director in the performance of the Director's duties.

### **Powers and Duties**

9.09 The Board of Directors shall have, subject to the Restrictive Covenants covering the Property filed in Volume 1311, Page 758 of the McLennan County Deed Records, power and duty to:

- (a) Appoint and remove all officers, agents, and employees of the Association, prescribe the duties of agents and employees, fix their compensation, and at the discretion of the Board, to require from them security or fidelity bonds of faithful performance of the duties prescribed for them.
- (b) Conduct, manage, and control the affairs and business of the Association, and make rules and regulations consistent with federal, state and local law and these Bylaws of the Association for the guidance of the officers in the management of the affairs of the Association.
- (c) Exercise all of the powers, duties and authorities of a board of directors under and pursuant to the Texas Non-Profit Corporation Act and other applicable law.
- (d) Cause to be kept a complete record of all of their minutes and acts of the proceedings of the Members, and present a full statement at the annual meeting of the Members, showing in detail the assets and liabilities of the Association, and generally the condition of its affairs. A similar statement shall be presented at any other meeting of the Members when requested by one-third of the Members.
- (e) Supervise all officers, agents and employees of the Association and see that their duties are properly performed.

Article 10  
**DIRECTORS' MEETINGS**

**Regular Meetings**

10.01 Unless otherwise scheduled by the Board, regular meetings of the Board of Directors are held on the third Tuesday of each month, except no regular meeting is held in the month of December. The time and place of each regular meeting must be posted on the bulletin board near the gate of the Cabana by Noon on the day of the meeting. If a regular meeting is to be held on a day other than the third Tuesday of a month, the date, time and place of the meeting must be posted on the bulletin board near the gate of the Cabana one week prior to the meeting.

**Special Meetings**

10.02 Special meetings of the Board of Directors may be called by the President or by any two Directors other than the President. The Secretary shall deliver written notice of each special meeting of the Board of Directors to each Director either personally, by e-mail or my mail at least three (3) days before the time established for holding the special meeting. The time and place of each special meeting must be posted on the bulletin board near the gate of the Association's Cabana by Noon on the day of the meeting.

**Telephone Conference Meeting**

10.03 In an emergency, the Board of Directors, or members of any committee appointed by the Board of Directors, may participate in and hold a meeting of the Board of Directors, or of such committee, by means of conference telephone or similar communications equipment that permits all persons participating in the meeting to hear one another. Participation in a meeting pursuant to this provision constitutes presence in person at such meeting, except where a person (1) participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened and (2) states

such objection for the record prior to the transaction of any business.

### **Quorum**

10.04 Three (3) Directors constitute a quorum for the transaction of business by the Board of Directors.

### **Validity of Business Transacted at Meeting Not Called or Noticed in Accordance with these Bylaws**

10.05 The transaction of business at any meeting of the Board of Directors however called or wherever held, is valid as though it had been transacted at a meeting duly held after regular call and notice, if a quorum was present and if either before or after the meeting each of the Directors not present at the meeting signs a written waiver of notice, or a consent to such meeting, or approval of the minutes thereof. All such waivers, consents, or approvals must be filed with the corporate records and made a part of the minutes of the meeting.

### **Voting Requirement**

10.06 Every act or decision done or made by a majority vote of the Directors present at a meeting duly held is the act of the Board of Directors.

### **Open Meetings**

10.07 Regular and special meetings of the Board of Directors are open to all Members of the Association. Members who are not on the Board of Directors may not participate in any deliberation or discussion unless expressly authorized to do so by the vote of a majority of a quorum of the Board.

### **Executive Session**

10.08 The Board of Directors may, with the approval of a majority of a quorum of the Board, adjourn a meeting and reconvene in executive session to discuss and vote on personnel matters, litigation in which the Association is or may become involved, contract negotiations, enforcement actions, other business of a confidential nature involving a Member, and matters requested by the involved parties to remain confidential. The nature of any and all business to be considered in executive session shall first be announced in open session.

### **Rules Governing the Transaction of Business**

10.09 Each meeting of the Board of Directors must be conducted in accordance with the most recent edition of Robert's Rules of Order insofar as such rules are consistent with applicable law, the Articles of Incorporation of the Association, and these Bylaws.

## Article 11 **OFFICERS**

### **Enumeration of Officers**

11.01 The Officers of the Association are a President and a Vice President, a Secretary, and a Treasurer. The President and the Vice President shall at all times be Members of the Board of Directors. The Board of Directors may, by resolution, create and appoint such other offices as it deems necessary or desirable.

### **Appointment and Term**

11.02 The Officers of the Association, except such Officers as may be appointed in accordance with Sections 11.03 and 11.04 of this Article, shall be chosen annually by the Board of Directors, and each shall hold office for one year unless he or she shall sooner resign or be removed or otherwise become disqualified to serve.

### **Resignation and Removal**

11.03 An Officer may resign at any time by giving written notice to the Board of Directors, or to the President, or the Secretary. Such resignation shall take effect at the date of receipt of the notice or at any later time specified in the notice, and unless otherwise specified in the notice, it is not necessary for the Board to accept the resignation for it to be effective. An Officer may be removed from office by the Board whenever, in the Board's judgment, the best interests of the Association would be served by such removal.

### **Vacancies**

11.04 A vacancy in any office because of death, resignation, removal, disqualification, or other cause is filled by a vote of the majority of the Directors and the Officer so elected shall hold office for the unexpired term of his or her predecessor.

### **Multiple Offices**

11.05 The offices of Secretary and Treasurer may be held by the same person.

## Article 12 **PRESIDENT**

### **Duties**

The President shall:

- (a) Preside over all meetings of the Members and of the Board of Directors.
- (b) Sign as President all deeds, contracts, and other instruments in writing which have been first approved by the Board of Directors, unless the Board, by duly adopted resolution, has authorized the signature of another Officer.
- (c) Call meetings of the Board of Directors in accordance with these Bylaws and shall have, subject to the advice of the Board of Directors, general supervision, direction and control of the business affairs of the Association, and generally shall discharge such other duties as may be required of him or her by the Board of Directors.

## Article 13 **VICE PRESIDENT**

### **Duties**

The Vice president shall perform the following duties:

- (a) Act in the place and in the stead of the President in the event of the President's absence, inability, or refusal to act.
- (b) Exercise and discharge such other duties as may be assigned to the Vice



President by the Board of Directors. In connection with any such additional duties, the Vice President is responsible to the President.

#### Article 14

### **SECRETARY AND ASSISTANT-SECRETARY**

#### **Duties of the Secretary**

10.01 The Board of Directors shall elect a Secretary, and it shall be the duty of the Secretary to:

- (a) Keep a record of all meetings and proceedings of the Board of Directors, and of the Members.
- (b) Keep the corporate seal of the Corporation, and affix it on all papers requiring the seal of the Corporation.
- (c) Keep proper books.
- (d) Serve notices of meetings of the Board of Directors and the members required either by law or by the Bylaws of the Association.
- (e) Keep appropriate records showing the Members of the Association together with their addresses as furnished him or her by such Members.

#### **Assistant-Secretary**

14.02 The Board of Directors may appoint an Assistant-Secretary who, in case of the absence, inability or refusal to act of the Secretary shall perform the duties of the Secretary.

#### **Duties of the Assistant-Secretary**

14.03 The Assistant-Secretary shall also perform such other duties as may be required by him or her by the Board of Directors.

#### Article 15

### **TREASURER**

#### **Duties**

The Treasurer shall be responsible for the following:

- (a) Receipt of, and deposit in, such bank or banks as the Board of Directors may, from time to time, direct all of the funds of the Association, which funds shall be withdrawn by such officer or officers as the Board of Directors shall, from time to time, designate by resolution.
- (b) Maintenance of books and records to account for the Association's funds and other Association assets.
- (c) Preparation and distribution of the financial statement for the Association.

#### Article 16

### **BOOKS AND RECORDS**

#### **Maintenance**

16.01 Complete and correct records or account and minutes of proceedings of meetings

of Members, Directors, and committees shall be kept at the registered office of the corporation. A record containing the names and addresses of all Members entitled to vote shall be kept at the registered office of the Association.

### **Inspection**

16.02 The governing instruments of the Association, the membership register, the books of account, and the minutes of proceedings must be available for inspection and copying by any Member of the Association or by any Director for any proper purpose during reasonable business hours.

## Article 17

### **INDEMNIFICATION OF DIRECTORS, OFFICERS, and EMPLOYEES**

#### **Definition**

17.01 As used herein the term "indemnified Person" refers to an individual who is or was a member of the Board of Directors, an Officer, or an employee of the Association.

#### **Indemnification**

17.02 The Association shall, and by the Bylaws does hereby, indemnify each Indemnified Person who was, is, or is threatened to be made a named defendant or respondent in a proceeding (as defined in Article 1396-2.22A of the Texas Non-Profit Corporation Act, Article 1396-2.22A of Vernon's Annotated Texas Revised Civil Statutes as may be amended from time to time, hereinafter called the "Act") because the Indemnified Person is or was as Director, an Officer or an employee of the Association against judgments, penalties (including excise and similar taxes), fines, settlements, and reasonable expenses actually incurred by the Indemnified Person in connection with said proceedings to the fullest extent allowed by applicable law, including but not limited to the Act.

#### **Reimbursement or Payment of Expenses in Advance**

17.03 The Association shall pay or reimburse, and hereby agrees to pay or reimburse, reasonable expenses incurred by the Indemnified Person who was, is or is threatened to be named defendant or respondent in such a proceeding because the Indemnified Person is or was a Director, an Officer, or an employee of the Association in advance of the final disposition of the proceeding to the fullest extent allowed by applicable law, including but not limited to Section K of Article 1396-22.2A or the Act as amended, subject to any conditions specified by applicable law, without the authorization or determination specified in Section G of Article 1396-2.22A of the Act as amended.

#### **Repeal or Modification**

17.04 The effect of a repeal or modification of the Article 17 of these Bylaws is prospective only. No such repeal or modification may adversely affect indemnification or payment of expenses in advance for acts prior to the date of such repeal or modification.

Article 18  
**GENERAL PROVISIONS**

**Amendment of Bylaws**

18.01 These Bylaws may be adopted or amended by:

- (a) The affirmative vote of 80% of the Board of Directors of the corporation; or
- (b) The vote of a majority of the members of the Association entitled to vote.

**Attestation**

18.02 Adopted by the Board of Directors on August 19, 2008.

Attest: \_\_\_\_\_  
Barbara MacArthur, Secretary

*Melissa Johnson*

#####

STATE OF TEXAS           §  
  §  
COUNTY OF McLENNAN   §

I, Melissa Johnson, President of the OWNERS ASSOCIATION OF SUGAR CREEK, INC., a Texas nonprofit corporation, hereby attest that the above is a true and correct copy of the *Bylaws* of the OWNERS ASSOCIATION OF SUGAR CREEK, INC.

*Lisa W. Hull*  
\_\_\_\_\_  
Notary Public in and for the State of Texas

After Filing Please Return to:

Lisa Hull, Secretary  
Owners Association of Sugar Creek, Inc.  
6 Sugar Creek Place  
Woodway, TX 76712-3408

