

**CRYSTAL COVE /COPELAND CREEK
CORPORATION
BY-LAWS**

BY-LAWS OF CRYSTAL COVE / COPELAND CREEK CORPORATION

ARTICLE 1

OFFICERS

SECTION 1. Crystal Cove / Copeland Creek Corporation is noted as CCCC Corporation within this document. The officers of CCCC Corporation are: President, First Vice President, Second Vice President, Treasurer and Secretary. The offices of Secretary and Treasurer may both be held by one person at the discretion of the Board of Directors. The Second Vice President is also Assistant Treasurer and Assistant Secretary.

SECTION 2. The officers are elected every two years for two year terms by the members at the May meeting. One year of service is from June 1, of one year until May 31, of the following year. Officers may be members of the Board of Directors and vice versa.

SECTION 3. The duties of the several officers are as follows:

President: The President is the chief executive officer of the CCCC Corporation; he/she presides at all meetings of the members ; he/she has general and active management of the business of the CCCC Corporation and oversees appropriate execution of all orders and resolutions of the CCCC Board. He/she executes notes, mortgages, bonds, and other contracts on behalf of the CCCC Corporation based upon appropriate resolutions of the Board of Directors.

First Vice President: In the absence of the President, the duties of the office devolve upon the First Vice President. This is a non-elected position with the exception of vacancy. The First Vice-President position is filled by the retiring president. If the retiring president refuses the office or vacates it before the term is completed the membership elects the officer through the election procedure established by the CCCC Corporation Board of Directors.

Second Vice President: In the absence of both the President and the First Vice President, the duties of the President devolve upon the Second Vice President. In the absence of the Secretary or Treasurer their duties devolve upon the Second Vice President in his/her capacity as Assistant Secretary and/or Assistant Treasurer.

Treasurer: The Treasurer has charge of all funds of the Corporation and of its disbursements under the direction of the Board of Directors. The Treasurer keeps a record of monetary accounts receivable and payable, making a report of same to the Board of Directors at each regular meeting and upon request when deemed necessary by the president or the board.

Secretary: The Secretary attends all meetings of the Corporation and of the Board of Directors, and keeps minutes of the proceedings thereof. The Secretary gives notice of all meetings of the Corporation and of the Board of Directors; and performs such services in behalf of the Corporation as may on occasion be determined by the Board of Directors.

SECTION 4. Actively there is no compensation for officers. The Board of Directors determines any compensation or any payment made to an officer as compensation or reimbursement when appropriate documentation and receipts are provided.

SECTION 5. The Board may appoint such other offices and agents as it deems necessary. The board may appoint temporarily who hold the offices until a general election can be held by the members. The terms and duties are to be determined by the Board.

SECTION 6. The officers of the Corporation hold office until their successors are chosen by the membership and are qualified in their stead. Officers may be re-elected to the same office or a different office inc for an additional two year term. However, at the end of two such successive terms in one or more offices (exception: 1st Vice-President), the officer is not eligible for re-election until one full year has elapsed.

SECTION 7. Any officer elected or appointed by the Board of Directors may be removed at any time by the affirmative vote of a majority of the whole Board of Directors.

SECTION 8. In case of the absence of any officer of the Corporation, or for any other reason that the Board may deem sufficient, a majority vote of the Board may delegate, temporarily, the powers or duties, any or all of them, of such officer to any other officer or to any director.

ARTICLE II

BOARD OF DIRECTORS

SECTION: 1. The Board of Directors is composed of one director for each ten members of the Corporation, or the major portion thereof, with a minimum of five directors regardless of the number of members. Directors serve for two years with one-half the number of directors being elected to two year terms on alternate years. The retiring President automatically becomes a member of the Board of Directors for two years immediately following his/her retirement as President. The Board of Directors elects a Board Chairperson. The Board Chairperson presides at the board meetings. The President of CCCC Corporation and the Chairperson of the Board of CCCC Corporation may not be the same person. The Chairperson appoints another board member to be the Assistant Board Chairperson. The Assistant presides over the board meetings when the Chair is not present.

SECTION 2. The Board of Directors is charged with the management of all of the affairs of the CCCC Corporation, subject to the provisions of its charter and by-laws.

SECTION 3. For the purpose of transacting the business of this Corporation during the intervals between the meetings of the Board of Directors, any three of the following four/five officers constitute the Executive Committee with full authority to act. The President, the First Vice President, the Second Vice President, the Treasurer and the Secretary or Secretary/Treasurer, as the case may be.

SECTION 4. The Board of Directors holds a minimum of two meetings each year. One of these meetings is to be held immediately following the annual membership meeting. The additional meeting is to be held at such time

and place as the President may determine. Special meetings of the Board may be called by the President or First Vice President on three days notice to each director, either personally, postal mail, phone or e-mail. Special meetings may be called by the President or Secretary in like manner, yet must include the written request of two directors.

SECTION 5. Three directors constitute a quorum of the board when the board consists of five members. When there are more board members sixty per cent constitutes a quorum.

SECTION 6. In addition to the powers and authorities expressly conferred upon the board by these by-laws, the Board of Directors may exercise all such powers of the corporation and do all such lawful acts and things as are not by statute, not by articles of incorporation nor by these by-laws in order to fulfill the legal needs of CCCC Corporation.

SECTION 7. Indemnity, the corporation indemnifies and holds harmless each director and officer now or hereafter serving the corporation from and against any and all claims and liabilities to which he/she may be or may become subject by reason of his/her now and hereafter being or having heretofore been a director or officer of the corporation and/or by reason of his/her alleged acts or omissions as such director or officer whether or not he/she continues to be such director or officer at the time when any such claim or liability is asserted, and reimburses each director or officer for all legal and other expenses reasonably incurred by him/her in connection with defending any or all such claims or liabilities, including amounts paid or agreed to be paid in connection with reasonable settlements made before final adjudication with the approval of the Board of Directors, whether or not he/she continues to be such director or officer at the time such expenses are incurred; provided, however, that no director or officer is indemnified against any claim or liability arising out of his/her own negligence or willful misconduct or is indemnified against or reimbursed for any expenses incurred in defending any or all such claims or liability or in settling the same unless in the judgment of the directors of the corporation the director or officer against whom such claim or liability is asserted has not been guilty of negligence or willful misconduct. The foregoing right of indemnification is not exclusive of other rights to which any director or officer may be entitled as a matter of law.

ARTICLE III COMMITTEES

SECTION 1. There is a permanent house and grounds committee consisting of three members who are appointed annually by the President. The duties of this committee are: to supervise and maintain the property that belongs to or is under control of the corporation; to establish rules and regulations pertaining to the use, safety, maintenance, and operation of such property; to hire a full-time caretaker and establish his/her salary, duties, and other terms of employment; to draw up a building code containing minimum requirements for homes built in the subdivision; and to take care of any and all other matters that may properly be the responsibility of this committee or that the President or Board of Directors may delegate to it. The House and Grounds Committee is hereby authorized to spend up to \$50.00 of the corporation's funds each month without prior approval of the Board of Directors, if such expenditure is deemed necessary in the discharge of its duties.

SECTION 2. At least every other year the President appoints an Audit Committee of two members who make a thorough audit of the books and records of the Treasurer, or the Secretary-Treasurer, as the case may be, and make a written report to the Board of Directors at its next meeting. If it so desires, this committee may call in an independent, outside CPA to help with the audit.

SECTION 3. The President may appoint such additional committees as he/she deems necessary, subject to the approval of the Board of Directors. Whenever the Board of Directors is not in session, the committees appointed by the President may act subject to ratification at the next meeting of the Board of Directors, at which the appointments made by the President, or the actions taken by the committees, may either be approved or disapproved.

SECTION 4. The Chairman of each committee makes a written report to the Board of Directors whenever requested by the Board.

ARTICLE IV MEMBERSHIP MEETINGS

SECTION 1. The annual meeting of the members of the corporation is held in May or as soon as thereafter as determined by the Board of Directors.

SECTION 2. Special meetings of the members of the corporation may be called at any time by the President, or on the request, in writing, to the President by a majority of the Board of Directors.

SECTION 3. Immediately following the adjournment of the annual meeting of the members of the corporation, the newly elected directors hold a meeting for the purpose of organization, and the transaction of any other business.

SECTION 4. Not less than two weeks prior to any membership meeting of the corporation, a notice of such meeting is mailed to each member at his/her last known post office address. The notice for any special meeting states the purpose of the meeting. A membership meeting of the corporation may be called without notice, be each person entitled to be present is present physically or by legally documented proxy.

SECTION 5. At any meeting of the members, every member having the right to vote is entitled to vote in person or by proxy appointed by an instrument in writing subscribed by such member and witnessed by one witness. Each member registered by his name on the books of the corporation as of the date of the meeting has one vote.

SECTION 6. Written notice of the annual meeting is mailed to each member entitled to vote thereat to such address as appears on the certificate book of the corporation at least two weeks prior to the meeting.

SECTION 7. Special meetings of the members for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President or First Vice President and is called by the President or Secretary at the request in writing of a majority of the Board of Directors or at the request in writing of a majority of the members as of the date of the request. The written request must state the purpose or purposes of the proposed meeting.

SECTION 8. Business transacted at all special meetings is confined to the purpose or purposes stated in the written request.

SECTION 9. Written notice of a special meeting of members, stating the time and place and purposes thereof, is mailed, postage prepaid, at least two weeks before such meeting, to each member entitled to vote thereat to such address as appears on the books of the Corporation.

SECTION 10. The majority of the members present in person or by proxy constitutes a quorum at all membership meetings, and may act on and pass resolutions on any matter that may properly come before the meeting.

SECTION 11. Order of business at Members Meetings. At all meetings of the members the order of business is, as far as applicable and practicable, as follows;

- (1) Organization
- (2) Proof of notice of the meeting or of waivers thereof (the certificates of the secretary of the corporation, or the affidavit of any other person who mailed the notice or caused the same to be mailed, being proof of service of notice by mail).
- (3) Certification by the secretary of the members entitled to vote, present in person or by proxy
- (4) If an annual meeting, or a meeting called for that purpose, reading of unapproved minutes of the preceding meetings, and action thereon.
- (5) Reports.
- (6) If annual meeting, or a meeting called for that purpose, the election of directors and officers.
- (7) Unfinished business.
- (8) New business.
- (9) Adjournment.

ARTICLE V

MEMBERSHIP CERTIFICATES

SECTION 1. As stated in the charter of this Corporation, "There is no capital stock, but each person purchasing a lot in said addition shall own one (1) membership certification. The total number shall not exceed 100..."

SECTION 2. The Board of Directors may authorize the issuance of a membership certificate in the CCCC Corporation to property owners of the adjacent areas of CCCC Subdivision, but only one membership certificate per individual without regard to the amount of adjacent property owned may be issued. A concerted effort on the part of the officers of the Corporation should be made to have adjacent property owners become members.

SECTION 3. Memberships are available to CCCC property owners. A member may hold only one membership regardless of the number of lots owned in CCCC. Renters may be members with a written application to the board of directors.

SECTION 4. The first membership covering one or more lots costs the original purchaser sixty dollars (\$60.00). As the property is transferred from owner to owner, the membership and its certificate are cancelled and permanently retired; a new certificate with the next unused number in numerical order is posted in the name of the new owner to evidence a new membership upon payment in full thereof. The new owner pays the Corporation sixty dollars (\$60.00) for the new membership and transfer of ownership. No membership certificate is posted until payment in full has been received by the Corporation. A property owner is not considered a member in good standing until his/her membership certificate has been posted and duly signed by the President and Secretary of the Corporation. Membership certificates are entries in the membership ledger. Numbered membership placards to be posted on the properties are issued to the members.

ARTICLE VI

CHECKS

The President, First Vice President, and Treasurer or Secretary-Treasurer, as the case may be, are authorized to sign checks on the Corporation's bank account with any two signatures of these three officers being required on each check.

ARTICLE VII

SPECIAL ASSESSMENTS

Special assessments for funds needed by the Corporation for realizing any of its purposes may be levied on the entire membership but may be assessed only upon adoption thereof at a regular or special membership meeting, the notice for which has specifically set forth the fact that such an assessment is to be brought up at the meeting. The quorum at any meeting called to levy a special assessment consists of a majority of the members in good standing as of the date of the notice whether present in person or by proxy.

ARTICLE VIII

MEMBERSHIP DUES

SECTION 1. Members pay annual dues as are established by the Board of Directors.

SECTION 2. Dues cover the twelve month period from July 1 each year to June 30 of the succeeding year. Dues statements are mailed to each member at least three weeks prior to July 1 with a notation that they are due and payable by July 1.

SECTION 3. A member is considered delinquent in his/her dues and not in good standing if his/her dues are not paid within 60 days of the due date (i.e. by August 31 of the same year).

ARTICLE IX
PROPERTIES

The CCCC Corporation is charged with the supervision and regulation of use and maintenance of the properties under its ownership through its Board of Directors. In the exercise of these duties the Board of Directors may establish rules and regulations concerning its use, determine and collect dues for its use, and levy special assessments including considerations of sale of property. The Board may establish a separate committee to oversee compliance with all rules and regulations.

ARTICLE X
COLLECTION OF DUES AND FEES

SECTION 1. Members who have not paid their membership dues by August 31 following July 1 of the year in which they became due and payable are considered delinquent and not in good standing. However, a member who wishes to pay dues or fees over a period of several months may so request in writing to the Treasurer setting forth exact dates and amounts on which he/she wishes to make payment. Upon arrival of this request by the Executive Committee, or by the Board of Directors at one of the regular meetings, the Treasurer sends a written notice to the member advising him/her that his/her request has been granted.

SECTION 2. As soon as a member becomes delinquent, the Treasurer sends him/her, by certified or registered mail with return receipt requested a written notice stating that he/she is delinquent and not in good standing and requesting payment within fourteen days. If payment is not received within fourteen days from the date shown on the return receipt, the treasurer is hereby authorized to terminate the membership on behalf of the Corporation . The member is not considered in good standing until the dues are paid in full. All dues payments are non-refundable.

ARTICLE XI
NOTICES

For the purpose of serving notices on the Corporation it is deemed sufficient if written notice is mailed or delivered in person to the President, Secretary, or Secretary-Treasurer at their respective home addresses.

ARTICLE XII
NON-PROFIT STATUS

As stated in the charter granted by the State of Texas, Crystal Cove/Copeland Creek Corporation is a non-profit Corporation and nothing in these by-laws are to be construed as altering this status.

ARTICLE XIII
AMENDMENTS

These by-laws may be altered or amended or repealed by the affirmative vote of a majority of the members present at any regular or special meeting of the members called for that purpose, or by the affirmative vote of the Board of Directors of any regular or special meeting of the board called for that purpose, provided however,

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that no change of the time or place of the election of directors are made within sixty days preceding the day on which such election is to be held.

ARTICLE XIV

RESERVATIONS, EXCEPTIONS AND RESTRICTIONS

1. All oil, gas and other mineral in and under the properties of CCCC Corporation have been previously reserved with the right of ingress and egress for the purpose of mining or producing such mineral so reserved.
2. The same properties may not be used for commercial purpose of any kind, with the exception of in-home operated businesses that do not require signs, excessive traffic, noise, outside storage, outside equipment and/or an unsightly property.
3. No residence may be erected or used for human habitation without indoor toilet, sanitary facilities and a septic tank or approved waste treatment system.
4. The properties herein conveyed are described in the JM Long Survey of Marion County located in Marion County Courthouse. The survey describes legally the location and size of individual lots. Only one dwelling may be erected on a lot.
5. No dwelling may be placed on said premises except the same be constructed of new materials.
6. No trailer or movable vehicle may be situated on the premises for use as a habitat or shelter. Special emergency circumstances may occur. A member may appeal to the board by submitting a written request to the CCCC Corporation Board of Directors.
7. No dwelling or other improvement may be situated closer than 10 feet to the road easement or within 3 feet of the sideline of any adjoining lot.
8. Property owners reserve unto themselves and their heirs the right to sell their legal property to a buyer. They also have the responsibility to maintain the property in accordance with the CCCC By-laws.
9. A lot is used for a single family dwelling, while multiple families may share a single dwelling, but multiple units and duplex dwelling are expressly prohibited.
10. No dwelling may be constructed which does not contain a minimum of 500 square feet.
11. Only new industry standard construction grade materials and metals may be used for new construction or remodels.
12. No animals or poultry may be kept or maintained on this property except domestic household pets.
13. Any building or garage constructed of materials that require stain or paint to maintain it must be maintained appropriately with timely paint or stain management.,
14. In the event of a violation of any one or more than one of these restrictions, the same may be enforced by an action, either at law or inequity to restrain such breach and/or to recover damages thereof.
15. The above and forgoing restrictions are hereby declared to be severable, and should one or more of them be declared invalid or unenforceable, the remaining restrictions are to be and to remain in full force and effect.
16. Grievance or Proposal Procedure for CCCC Corporation is by these steps:

- a. A person or persons submit a written narrative- formatted completely detailed explanation of a complaint, an issue or a proposal to the current President of CCCC Corporation. It must be signed and dated.
- b. The current president reviews the submitted information and calls a board meeting within 15 calendar days for the board to take action on the matter.
- c. The CCCC Corporation Board of Directors reviews the written document and takes appropriate action as agreed upon by a majority vote of the board. All decisions of the board are final as to the action related to the specific, written document.