

BY-LAWS

BUCKEYE KNOLL, INC. CORPORATION
LIVE OAK COUNTY, TEXAS

ARTICLE I

MEMBERSHIP

SECTION 1. Requirements for Membership

Any person will become a member upon becoming an owner of a lot in Buckeye Knoll, Inc. Unit One.

SECTION 2. Joint Membership

The term "member" as used in these By Laws shall be deemed to include a husband and wife holding a joint membership and any provisions relating to the rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect of the holders of a joint membership shall be as follows:

- (a) The presence at a meeting of either or both shall be regarded as the presence of one member;
- (b) The vote of either separately or both jointly shall constitute one joint vote;
- (c) Either but not both may be elected or appointed as an officer or director.

SECTION 3. Termination of Membership.

- (a) Termination of membership for a particular lot ends upon the sale of that lot.

ARTICLE II.

MEETINGS OF MEMBERS

Section 1. Annual Meeting

The annual meeting shall be held during the month of June of each year at Buckeye Knoll, Inc., and at a date selected by the Board of Directors and which shall be designated in the notice of the meeting, for the purpose of electing directors and transacting such other business as may come before the meeting. It shall be the responsibility of the Board of Directors to make adequate plans and preparations for the annual meetings of the members.

Section 2. Special Meetings of Members

Special meetings of the members may be called by resolution of the Board of Directors, or upon written request signed by 30 per centum or more of all of the members, and it shall thereupon be the duty of the Directors to cause notice of such meeting to be given.

Section 3. Quorum

The total number of members present in person or represented by proxy to constitute a quorum shall be fifteen percentum (15%) of the eligible members for the transaction of business at all meetings.

Section 4. Voting

Each member shall be entitled to one(1) vote per lot in the subdivision upon each matter submitted to a vote at a meeting of the members. At all meetings of the members at which a quorum is present, all questions shall be decided by a vote of a majority of the members voting thereon in person or by proxy. A husband and wife shall be jointly entitled to one (1) vote per lot and no more.

Section 5. Proxies

At all meetings of the members, a member may vote by proxy executed in writing by a member. Such proxy shall be filed with the Secretary before or at the time of the meeting. No proxy shall be voted at any meeting of the members unless it shall designate the particular meeting at which it is to be voted, and no proxy shall be voted at any meeting other than one so designated. No member shall vote as proxy for more than three (3) proxy votes at any meeting of the members and no proxy shall be valid after sixty (60) days from the date of its execution. The presence of a member at a meeting of the members shall revoke a proxy theretofore executed by him and such member shall be entitled to vote at such a meeting in the same manner and with the same effect as if he had not executed the proxy.

Section 6. Order of Business

The order of business at the annual meeting of the members, while not all inclusive, shall be essentially as follows, except as otherwise determined by the Directors or members at such meeting:

- (a). Report number of members present, plus any proxy votes, in order to determine the existence of a quorum.
- (b). Reading of the minutes of the last annual meeting of members.
- (c). Presentation and consideration of reports of Directors and Committees.
- (d). Unfinished business.
- (e). New business.
- (f). Election of Directors.
- (g). Adjournment.

ARTICLE III.

DIRECTORS

Section 1. General Powers

The business of the Corporation shall be managed by a board of five (5) directors which shall exercise all the powers of the Corporation except as are By-laws or by these By-laws conferred upon or reserved to the members.

Section 2. Qualifications and Tenure of Officers

The persons named as Directors in the Articles of Incorporation shall compose the Board of Directors until the first annual meeting of the members or until their successors shall have been elected. A Director shall be elected to serve a two year term, but he can be re-elected at any time by the membership.

Section 3, Election of Directors

At the annual meeting of the members, the President shall inform the members of the number and names of the Directors whose terms are expiring. The President shall open the meeting for nominations from the floor. When a run-off is found necessary, candidates shall be voted for in writing. The candidates receiving the highest number of votes at this meeting, based on existing vacancies, shall be considered elected as Directors.

Section 4. Vacancies

A vacancy occurring in the Board of Directors shall be filled by the affirmative vote of a majority of the remaining Directors until the next annual meeting of the members.

ARTICLE IV

OFFICERS

Section 1. Number

The officers of the Corporation shall be a President, First Vice-President, Second Vice-President, Secretary, and Treasurer. The offices of Secretary and of the Treasurer may be held by the same person.

Section 2. Election and Term of Office

The Officers shall be elected, by ballot, annually by and from the Board of Directors at the first meeting of the Board of Directors held immediately after each annual meeting of the members. If the election of officers shall not be held at such meeting such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until the first meeting of the Board of Directors following the next succeeding annual meeting of the members or until his successor shall have been duly elected.

Section 3. Vacancies

Except as otherwise provided in these By-laws, a vacancy in any office may be filled by the Board of Directors for the unexpired portion of the term.

Section 4. President

The President:

(a) shall preside at all meetings of the members and of the Board of Directors;

(b) in general shall perform all duties incident to the office as prescribed by the Board of Directors from time to time.

Section 5. Vice President(s)

In the absence of the President or in the event of his inability or refusal to act, Vice President shall perform the duties of the President.

Section 6. Secretary

The Secretary shall be responsible for:

(a) keeping the minutes of meetings of the members and special meetings of the Board of Directors;

(b) the safekeeping of the Corporate books and records and the seal of the Corporation.

Section 7. Treasurer

The treasurer shall be responsible for:

(a). custody of all funds and securities of the Corporation

(b) the receipt of and the issuance of receipts of all moneys due and payable to the Corporation and for deposit of all such moneys in the name of the Corporation in such bank or banks as shall be so selected.

(c) in general performance of all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors.

Section 8. Reports

The Treasurer shall submit at each annual meeting of the members a financial report covering the business of the Corporation.

ARTICLE V.

CHECKS AND DEPOSITS

Section 1. Checks, Drafts, etc.

All checks or other orders for the payment of money, and all notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers and in such manner as shall from time to time be determined by resolution of the Board of Directors.

ARTICLE VI

SEAL

The Corporate Seal of the Corporation shall be composed of two concentric circles with its name "Buckeye Knoll, Inc." appearing thereon.

ARTICLE VII

AMENDMENTS

These By-laws may be altered, amended or repealed by not less than the affirmative vote of a majority of the Board of Directors at any regular or special meeting.

Appendix:

It should be understood that the above By-Laws do not change any of the existing Rules and Regulations applicable to all members and property in Buckeye Knoll, Inc., such as rules applicable to the swimming pool, housing restrictions, etc.