SCTA BYLAWS
As revised and adopted on August 19, 2026

SPRUCE CREEK TRAILS ASSOCIATION, INC.
www.sprucecreektrails.com

INCORPORATED UNDER THE LAWS OF THE STATE OF TENNESSEE

Article I. Members

Section 1. **Annual Meeting**. A meeting of members shall be held each year during Memorial Day weekend in May. This annual meeting shall be held at the location and at such time as determined by the board of directors.

Section 2. **Special Meetings**. Special meetings of members may be called for any purpose. Such meetings may be called at any time by the board of directors or by the holders of at least 30 percent (30%) of all votes entitled to be cast on any issue proposed to be considered at the proposed special meeting. On the written request of any person(s) entitled to call a special meeting, the secretary shall inform the board of directors as to the call, and the board shall fix a time and place for the meeting.

Section 3. **Notice of Meetings**. Written notice stating the place, day and hour of the meeting and a description of any matter(s) which must be approved by the members, and in the case of a special meeting, the general nature of the business to be transacted, must be given to each member of record entitled to vote at the meeting, not less than ten (10) nor more than sixty (60) days before the date of the meeting by: (1) US Mail, addressed to the member at the address of the member appearing on the books of the corporation or (2) by electronic mail if member has supplied the e-mail address. This notice may be contained in a newsletter if the corporation issues such and determines that the notice is to be contained in such newsletter. The notice shall be deemed to have been given at the time when deposited in the mail or electronically transmitted.

Section 4. (Removed)

Section 5. **Record Date**. For the purpose of determining members entitled to notice of any meeting, to vote on any matter, or to vote at any meeting:

(a) Grace Period: All memberships will be granted a “grace period” to pay their dues with membership and voting rights extended according to the class of membership until mid-night of March 31.

(b) Voting - Annual membership meeting: Dues for the current year must be received by midnight of April 15 to be eligible to vote for the board of directors or other matters presented at the annual membership general meeting, according to the class of membership. Payment must be post marked, electronically date stamped, or personally delivered to any board member by midnight of April 15th.

(c) Voting – All other meetings or matters: With the exception of the annual membership meeting/board of director elections, any member of record ten (10) days prior to the meeting shall be eligible for notice of a meeting, or to vote on any matter according to the class of membership.

Section 6. **Members’ List for Meeting**.

(a) After fixing a record date for a meeting, the secretary shall prepare a list of the names of its members with their class of membership. This list will show the address and number of votes each

member is entitled to vote at the meeting.

(b) The list of members must be available for inspection by any member for the purpose of communication with other members concerning the meeting, beginning two (2) business days after notice is given of the meeting for which the list was prepared and continuing through the meeting, at the corporation's principal office or at a reasonable place identified in the meeting notice in the city where the meeting will be held.

(c) This list shall be made available at the meeting, and any member, a member's agent, or attorney is entitled to inspect the list at any time during the meeting or any adjournment.

Section 7. **Action by Written Ballot**.

(a) Any action which may be taken at any annual or special meeting of members may be taken without a meeting if the corporation delivers a written ballot to every member entitled to vote on the matter. A written ballot may not be revoked.

(b) A written ballot shall:

(1) Set forth each proposed action; and
(2) Provide an opportunity to vote for or against each proposed action.

(c) Approval by written ballot pursuant to this section shall be valid only when the number of votes cast by ballot equals or exceeds 10 percent of the members entitled to cast a vote on the matter.

(d) All solicitations for votes by written ballot shall:

(1) Indicate the number of responses needed to meet the quorum requirements.

(2) Specify the time by which a ballot must be received by the corporation in order to be counted.

Section 8. Proxies. Each person entitled to vote at a members' meeting may do so either in person or by proxy executed in writing by the member or by his or her authorized attorney in fact. No proxy shall be valid after eleven (11) months from the date of its execution.

Section 9. Membership Classes and Membership Types. The corporation shall have the following

classes of members:

(a) **Class A** - This class shall be comprised of Non-commercial Spruce Creek Property owners.

(b) **Class B** – This class shall be comprised of Commercial Spruce Creek Property Owners.

(c) **Class C** – This class shall be comprised of Non-commercial Outside Community Members.

(d) **Class D** – This class shall be comprised of Commercial Outside Community Members.

(e) **Class E** – This class shall be comprised of the developers of Spruce Creek Acres subdivision.

Restrictions:

(1) A member must be at least 18 years of age.

(2) A commercial membership (classes B and D) must be verifiable as a valid corporation/registered business.

(3) A membership or any voting right arising therefrom cannot be transferred except as defined by written proxy. (see article I section 8)

Section 10. Membership and Voting. Voting rights shall be accorded as follows: Each membership shall have one vote per open board position, or matter presented. If the membership is owned by more than one person, the vote can not be divided. Cumulative voting is not allowed. Definition: Adding together the number of votes entitled to be cast for open board positions or other matters presented upon which they are entitled to vote, and casting the product for a single candidate.

(a) Classes A, B, and E shall be able to vote:
(1) On all matters and property related matters defined in (2) below
(2) Shall exclusively have the right to vote on the acquisition, disposition, maintenance, construction, control or on any other matter related to the land designed as trails, or any other land not so designated, owned by Spruce Creek Trails Association, Inc., or land not owned by Spruce Creek Trails Association, Inc., but located in Spruce Creek Acres Subdivision which is under its operational and management control.

(b) Class C Members (non-commercial outside) – Shall be able to vote on all matters except those delineated in Article I, Section 10(a)(2) above.

(c) Class D Members (commercial outside) – Shall be able to vote on all matters except those delineated in Article I, Section 10(a)(2) above.

(d) Class E (developers) Members – Shall always, regardless of property ownership, have the right to vote on all matters not pertaining to property related votes entitled to be cast in Article 1 (section 10)(a)(2) above.

A membership or any right arising therefrom cannot be transferred except as defined by written proxy (see Article 1, Section 8).

Section 11. Quorum Section. Ten Percent (10%) of the votes entitled to be cast on a matter must be presented at a meeting of members to constitute a quorum on that matter. If a quorum is not present, the current board of directors has the right to resolve an issue or confirm an election according to the majority of the votes cast.

Section 12: Membership Dues. Dues shall be established or modified by the board of directors from time to

time as deemed necessary and so authorized by resolution of the board.

Section 13: Membership Types. The corporation will always maintain standard memberships. In addition, the board may establish other membership types.

(a) Standard membership: valid for the year of application with payment received, plus the grace period. NOTE: Early Application with payment may be submitted no earlier than Oct. 1st for the upcoming calendar year.

(b) Lifetime membership: valid for the lifetime of the member, or may be cancelled at the member's request.

(c) Complimentary membership: Designated for new Spruce Creek property owners during their first year of ownership. Complimentary membership will be valid for the calendar year received, plus the grace period.

Article II, Board of Directors

Section 1. General Powers. Subject to the limitation of the articles of incorporation, these bylaws, and the Tennessee Nonprofit Corporation Act concerning corporate action that must be authorized or approved by the members of the corporation, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation shall be managed under the direction of its board.

Section 2. Number, Tenure, Qualifications, and Election. The board of directors shall consist of nine persons who shall be Class A, B, or E property owner members of the corporation. The number of directors shall be nine with 3 positions filled each year for a 3-year term.

The initial directors and their terms in office were named in the Articles of Incorporation.

Section 3. Election. Unless otherwise specified by resolution of the board of directors, directors of the corporation shall be elected by written ballot. The election is held during the annual members' meeting held each year during Memorial Day weekend in May. If the number of candidates is less than or equal to the number of open board positions, then a ballot election will not be necessary. A voice vote/show of hands of those present will be taken to confirm a non-contested election. The board will also take nominations from the floor.

Section 4. Board Meetings.

(a) The board of directors shall hold an organizational meeting soon after each annual meeting of members. Regular meetings of the board of directors shall be held at the times as shall be fixed from time to time by resolution of the board. Meetings may be held by teleconference.

(b) Special meetings of the board may be called at any time by the president, or by any two members of the board.

(c) Notice need not be given to the membership of regular or special meetings of the board, nor need be given of adjourned meetings.

(d) Reasonable effort shall be made to notify all board members of a meeting in a timely fashion. Notification may be made by phone or email or personal contact.

Section 5. Quorum and Voting. Six of the authorized number of directors shall constitute a quorum for the transaction of business, and the acts of a majority of directors present at a meeting at which a quorum is present shall constitute the acts of the board of directors. If, at any meeting of the board of directors, less than a quorum is present, a majority of those present may adjourn the meeting, from time to time, until a quorum is present. If the meeting is adjourned for more than 24 hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

Section 6. Vacancies.

(a) A vacancy in the board of directors shall exist on the happening of any of the following events:

(1) A director dies, resigns, or is removed from office.

(2) The authorized number of directors is increased without the simultaneous election of a director or directors to fill the newly authorized position.

(3) The members at any annual, regular, or special meeting at which directors are to be elected, elect less than the number of directors authorized to be elected at that meeting.

(4) The board of directors declares vacant the office of a director who does not accept the office and/or attend the first organizational Board meeting of directors following the election without reasonable excuse.

(b) A vacancy in the board of directors, except a vacancy occurring by the removal of a director, may be filled by a vote of the majority of the remaining directors, even though less than a quorum is present.

(1) Each director so appointed shall hold office for that position until the next annual Board of Director election held during Memorial Day weekend in May.

(2) The instructions, and/or written ballot will indicate the candidate's preference for a full or partial term available for election.

(c) Any directorship that is to be filled as a result of an increase in the number of directors must be filled by election at an annual or special meeting of members called for that purpose.

Section 7. Removal.

(a) A director or directors may only be removed from the Board with cause, by written ballot of the membership or by Board action. Causes for removal would include:

(1) Failure to exercise duties in good faith: Board members have the duty to follow governing documents, carry out the mission, and ensure funds are used for lawful purposes.

(2) Failure to exercise duties of care: Board members have a duty to act in a manner that an ordinarily prudent person in a like position would exercise under similar

circumstances.

(3) Failure to exercise duties of loyalty: board members have a duty to act in a manner that is in the best interest of the corporation.

Please reference applicable TN not for profit statutes and TN publication: What Every Board Member Should Know.

(b) New directors may be elected by the members for the unexpired terms of directors removed from office at the same meetings at which the removals are voted. If the members fail to elect persons to fill the unexpired terms of removed directors, the terms shall be considered vacancies to be filled by the remaining directors as provided in Article II (Board of Directors) section 6 (vacancies).

(c) Removal of director(s) by members: All processes outlined in Article 1, sections 1-8 of these by-laws concerning calling/executing a special meeting shall apply for actions to remove a board member. In addition, the request must clearly state the specific actions/violations under the cause(s) above justifying the removal of a Board member.

(1) The board will investigate the request and determine if the actions cited meet reasonable cause criteria to remove the board member. If additional information is needed by the Board, requests for additional written information, expert consultation or meetings may be called.

(2) When concluded, the Board will provide a written response to the complainants.

(3) If the need to proceed with the removal is confirmed, the Board will prepare a written ballot to be sent to all members. A majority vote of the ballots returned in favor of removal shall be required.

(d) Removal of Director(s) by Board: A petition to remove another Board member must be presented and signed by a majority of the Board members. The petition must clearly state the specific actions/violations under the cause(s) above justifying the removal of a Board member.

(1) The Board will appoint 3 board members to investigate the request and determine if the actions cited meet reasonable cause criteria to remove the Board member. The Board may request additional written information, expert consultation or meetings may be called.

(2) When the investigation is concluded, the results will be reviewed by the entire board.

(3) If justified, a 2/3rds majority vote of the directors will be required to remove the Board member. The director(s) subject to removal will not be included in the removal vote.

Section 8. Indemnification. The corporation shall indemnify all persons who have served or may serve at any time as officers or directors of the corporation and their heirs, executors, administrators, successors, and assigns, from and against any and all loss and expense, including amounts paid in settlement before or after suit is commenced, and reasonable attorney's fees, actually and necessarily incurred as a result of any claim, demand, action, proceeding, or judgment that may be asserted against any such persons, or in which these persons are made parties by reason of their being or having been officers or directors of the corporation.

This right of indemnification is hereby recognized to specifically include any suits brought against the corporation and/or the officers and/or directors, individuals and/or as a whole, related to any proceeding involving a claim of any person or persons precipitated while traversing the trails owned by, leased by, or in any other manner managed by Spruce Creek Trails Association, Inc.

Section 9. Committees. The board of directors may, by resolution, adopted by a majority of the authorized number of directors, designate one or more committees to serve at the pleasure of the board.

(a) The board may designate one or more directors as committee members or alternate members of any committee, who may replace any absent member at any meeting of the committee.

(b) The committee, to the extent provided in the resolution, shall have and may exercise all the authority of the board of directors in the management of the corporation, except that the committee shall have no authority in reference to the approval of any action for which members' approval is required in the filling of any vacancies on the board or in any committee, amending or repealing bylaws or the adopting of new bylaws, amending or repealing of any resolution of the board which by its express terms is not amendable or repealable, or amending the articles of incorporation.

(c) The board of directors shall have power at any time to fill vacancies in, to change the size or membership of, and to discharge any such committee.

(d) The corporation may have for the purpose of making recommendations and performing activities the following committees:

(1) Trails Committee

(2) Finance and Fundraising Committee

(3) Information/Social Media & Technology Committee

(4) Nominating Committee

(5) Membership/Welcoming Committee

Article III. Officers

Section 1. Enumeration of offices. The corporation shall have as officers a president, a vice-president, a secretary, and a treasurer.

Section 2. Election and Terms of Office. The principal officers of the corporation shall be elected by the board of directors at its organizational meeting following the annual meeting of members or as soon thereafter as is reasonably possible. Subordinate officers may be elected from time to time as the board may see fit. Each officer shall hold office until his or her successor is elected and qualified, or until his or her resignation, death or removal. Officer positions are elected for one-year terms.

Section 3. Removal. Any officer may be removed from office at any time, with or without cause, on the affirmative vote of a majority of the board of directors. Removal shall be without prejudice to any contract rights of the removed officer.

Section 4. Vacancies. Vacancies in offices, however occasioned, may be filled by the election of the board of directors at any time for the unexpired terms of such offices.

Section 5. President – Powers and Duties. Subject to any supervisory duties that may be given by the board of directors , the president shall be the principal executive officer of the corporation. Subject to the control of the board of directors, the president shall supervise and direct generally all the business and affairs of the corporation. The president shall preside at all meetings of members at which he or she is present.

Section 6. Vice-President – Powers and Duties. In the absence of the president of the corporation or in the event of his or her death or inability or refusal to act, the vice-president shall perform the duties of the president and, when so acting, shall act with all the powers of and be subject to all the restrictions of the president. The vice president shall also perform other duties as may be assigned, from time to time, by the president or the board of directors.

Section 7. Treasurer – Powers and Duties. The treasurer of the corporation shall have the following powers and duties.

(a) To be custodian and take charge of and be responsible for all funds and securities of the

corporation;

(b) To receive and give receipts for money due and paid to the corporation from any source

whatsoever;

(c) To deposit all the monies paid to the corporation in the name of the corporation in such bank or other depository as shall be selected in accordance with the provisions of these bylaws;

(d) To ensure that all financial reports required to the state or federal government are duly filed.

Section 8. Secretary – Powers and Duties. The secretary of the corporation shall have the following powers and duties:

(a) To keep the minutes of members and of the board of director meetings.

(b) To see that all notices are given in accordance with these bylaws or as required by laws;

(c) To be custodian of the corporate records

(d) To keep a register of member information as defined in Article 1 (Members) Section 6 (members' list.)

(e) To perform all duties incidental to the office of secretary and such other duties as may be assigned to the secretary, from time to time, by the president or the board of directors.

Section 9. Absence or Disability of Officers. In the case of the absence or disability of any officer of the corporation and of any person authorized to act in his or her place during his or her absence or disability, the board of directors may by resolution delegate the powers and duties of such officer to any other officer, or to any director, or to any other person to whom it may select.

Article IV. Corporate Actions

Section 1. Contracts. No contract shall be made on behalf of the corporation unless authorized by resolution of the board of directors.

Section 2. Loans. No loan shall be made by the corporation to its officers or directors. No loans shall be made or contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the board of directors. Such authority may be general or confined to specific instances.

Section 3. Checks, Drafts, or Orders. All checks, drafts, or other orders for the payment of money by or to the corporation, and all notes and other evidence of indebtedness issued in the name of the corporation shall be signed by such officer or officers, or agents of the corporation and in the manner as shall from time to time be determined by resolution of the board of directors.

Section 4. Bank Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such bank or other depository as the board of directors may select.

Article V. Miscellaneous

Section 1. Reports to Members. The board of directors shall post on the internet on the corporation's website an annual report to the members of the corporation, not later than 90 days after the close of the fiscal year of the corporation. The report shall include a full year profit and loss statement and the year end closing bank account balance for the fiscal year. The financial statements shall be prepared from and in general accordance with the books of the corporation, in conformity with generally accepted accounting principles applied on a consistent basis.

Section 2. Inspection of Corporate Records. The corporation shall keep correct and complete books and records of account and shall also keep minutes of all meetings of members and directors. Additionally, a record shall be kept at the principal executive office of the corporation, giving the names and addresses of the members.

Section 3. Inspection of Articles of Incorporation and Bylaws. The original or a copy of the articles of incorporation and bylaws of the corporation, as amended or otherwise altered to date, and certified by the secretary of the corporation shall, at all times, be kept at the corporation's principal office. Such articles and bylaws shall be open to inspection by all members of record.

Section 4. Fiscal Year. The fiscal year of the corporation shall be the calendar year.

Article VI. Amendments

These bylaws may be altered, amended, or repealed by a majority vote of the board of directors.

NOTE: These BYLAWS have been restated to include all changes and amendments approved and adopted through August 19, 2026.