

**BY-LAWS
OF
SETTLERS' CROSSING ASSOCIATION, INC.
An Oklahoma Non-Profit Corporation**

ARTICLE I

This corporation shall be known as SETTLERS' CROSSING ASSOCIATION, INC. (the "Corporation").

ARTICLE II

The principal place of business of the Corporation shall be at 2000 S.E. 15th Street, Building 450, Suite "C" Edmond, OK 73013. Other offices may be maintained at such other places as the Directors may from time to time determine.

ARTICLE III

The purposes for which the Corporation is formed are:

(a) To organize and operate an association to provide for the acquisition, construction, management, maintenance and care of Corporation property.

(b) To acquire, own and provide for the maintenance and management of certain Common Areas located within Settlers' Crossing, a subdivision in Oklahoma County, State of Oklahoma, and to provide maintenance services for said property, all in accordance with that Declaration of Covenants, Conditions and Restrictions for Settlers' Crossing, an addition to Oklahoma County, Oklahoma filed for record in the office of the County Clerk of Oklahoma County, Oklahoma, on October 28, 1997 and recorded in Book 7179 at Page 1076 of the records of Oklahoma County, Oklahoma, as amended from time to time (the "Declaration"). All definitions contained in the Declaration shall apply hereto and are incorporated herein by reference. Any Member of the Corporation as defined in the Declaration is subject to the provisions and regulations set forth in these by-laws.

ARTICLE IV

Every person who is a record owner of a fee or undivided interest in any Lot covered by the Declaration and any future declarations covering all or any part of the subdivision which is subject by covenants of record to assessment by the Corporation, including contract sellers, shall be a member of the Corporation. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership for each Lot. Membership shall be appurtenant to and may not be

separated from ownership of any Lot. Ownership of such Lot shall be the sole qualification for membership.

ARTICLE V

Class of Members and Voting Rights. The Corporation shall have two (2) classes of voting membership as follows:

Class A. Class A Members shall be all those Owners of Lots with the exception of Settlers' Crossing, L.L.C. ("Declarant"). Each Class A Member shall be entitled to one vote for each Lot in which he holds the interest required for membership by Article IV of the Declaration. When more than one Person holds such interest in any Lot, all such Persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any one Lot.

Class B. The Class B Member shall be Declarant. The Class B Member shall be entitled to three (3) votes for each Lot in which it holds the interest required for membership by Article IV of the Declaration. The class B membership shall cease and be converted to Class A membership upon the happening of any of the following events, whichever first occurs:

- A. Upon the conveyance by Declarant of all Lots within the Subdivision, or if lands adjoining the Subdivision are made a part of the Settlers' Crossing Subdivision by Declarant and such lands are subject to and brought under the Declaration, then upon the conveyance by Declarant of all Lots within the Subdivision and said adjoining lands; or
- B. On January 1, 2018; or
- C. If in its sole discretion Declarant so determines.

ARTICLE VI

Meetings of the membership of the Corporation shall be held at least annually each year beginning in the year 1998. Special meetings may be held at any time upon the call of the Board of Directors or upon written request of the majority of the Members of the Corporation delivered to the Secretary of the Association. However, no meeting shall be called or held within sixty days of the preceding meeting. At any meeting of the Members of the Corporation, the presence at the meeting of Members or of proxies entitled to cast a majority of all the votes of each class of membership shall constitute a quorum; provided, however, that if the required quorum is not present at any meeting duly called, the Members present, though less than a quorum, may give notice to all Members as required herein for the transaction to be considered, at an adjourned meeting, and at the continuation of the meeting one-half (1/2) of the quorum required at the preceding meeting shall then constitute a quorum.

The Secretary of the Corporation shall mail a notice of each meeting to all Members, stating the purposes thereof, the items on the agenda, including the general nature of any proposed Amendment to the Declaration or By-laws, as well as the time and place it is to be held not less than ten days nor more than thirty days prior to said meeting.

At each annual meeting, the Members shall elect a Board of Directors consisting of not less than three (3) but not more than six (6) Members who shall serve for the ensuing year, and shall conduct such other business as may properly come before the meeting.

ARTICLE VII

The Board of Directors of the Association shall have the powers and duties necessary for the administration of the affairs of the Corporation and for the maintenance of the Common Areas.

The powers and duties of the Board of Directors shall include but shall not be limited to the following, all of which shall be done for and on behalf of the Members of the Corporation:

(a) Administration. To administer and enforce the covenants conditions and restrictions, easements uses, limitations, obligations, rules and all other provisions set forth in the Declaration, and all amendments and additions thereto that may be recorded from time to time.

(b) Rules and Regulations. To enforce the provisions of the Declaration and to establish, make and enforce compliance with such rules and regulations as may be necessary for the operation, use and occupancy of the Common Areas of Settlers' Crossing, together with the right to amend the same from time to time. The power of enforcement set forth in this Paragraph F shall include the power of the Association to impose monetary fines (including daily assessment fines) upon Members for violations of said rules or of these Declarations provided, however, that said fines shall not be enforced ex-post facto and provided further that the Member against whom such fine or fines are assessed shall be given an opportunity for a hearing before the Association's Board of Directors to present evidence against a finding of violation by the Board of Directors. Such fines may be assessed as liens against the Lot owned by the fined Owner.

(c) Maintenance of Common Areas. To accept, hold and keep in good order, condition and repair all of the Common Areas and all items of common personal property used by the Owners in the enjoyment of the subdivision.

(d) Insurance. To insure the Common Areas and keep the improvements thereon insured in an amount equal to their maximum replacement value, and to maintain comprehensive general liability insurance coverage in a sum of at least One Million Dollars (\$1,000,000.00) per occurrence, for bodily injury and property damage.

(e) **Budget; Determination of Assessments; Increase or Decrease Same; Levy of Special Assessments.** To prepare a budget for the Corporation at least annually, and to determine the amount of common charges payable by the Members to meet the common expenses of the Corporation and allocate and assess such common charges among the Members, and by a majority vote of the Board of Directors to adjust, decrease or increase the amount of the annual assessments, and remit or return any excess of reserve for deferred maintenance and for replacement, if any, to the Owners at the end of each reporting year; and to levy and collect special assessments whenever, in the opinion of the Board of Directors, it is necessary to do so in order to meet increased operating or maintenance expenses or costs, or additional capital expenses, or because of emergencies.

(f) **Enforcement of Assessment Lien Rights.** To collect delinquent assessments by suit or otherwise, and to enjoin or seek damages from any Member who may be in default as is provided for in the Declaration and these By-laws. To collect interest at the annual rate of one and one half per cent (1 ½ %) per month plus a late fee of \$25.00 in connection with assessments remaining unpaid more than thirty (30) days from due date for payment thereof, together with all expenses, including attorneys' fees incurred.

(g) **Protect and Defend.** To protect and defend the entire premises from loss and damage by suit or otherwise.

(h) **Borrow Funds.** To borrow funds in order to pay for any expenditure or outlay required pursuant to the authority granted by the provisions of the Declaration and amendments thereto and these By-laws, and to execute all such instruments evidencing such indebtedness as the Board of Directors may deem necessary. Such indebtedness shall be the several obligations of all of the Members.

(i) **Contract.** To enter into contracts within the scope of its duties and powers.

(j) **Bank Account.** To establish a bank account or accounts for the common treasury and for all separate funds which are required or may be deemed advisable by the Board of Directors.

(k) **Manage.** To make repairs, additions, alterations and improvements to the Common Areas of Settlers' Crossing in a first class manner and consistent with the best interests of the Members.

(l) **Annual Statement.** To prepare and deliver annually to each Owner a statement showing receipts, expenses and disbursements since the last such statement. The Members have the right to inspect the books of the Corporation on reasonable notice.

(m) **Meetings.** To meet at least once semi-annually, provided that any Board of Directors meeting may be attended and conducted by telephone or other device which

permits all of the Directors in attendance to participate in such meeting, and provided further that any action required to be taken at any meeting of the Board of Directors, or any action which may be taken at such meeting, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Members of the Board of Directors.

(n) Personnel. To designate, employ and dismiss the personnel necessary for the maintenance and operation of the Common Areas or other administration of Settlers' Crossing or of the Corporation.

(o) Managing Agent. To employ for the Corporation a managing agent (who may be Declarant) who shall have and exercise the powers granted to it by the Board of Directors under the Declaration and these By-laws.

(p) All Things Necessary and Proper. To do all things necessary and proper for the sound and efficient management of the Common Areas of Settlers' Crossing, and to advance the health, safety and welfare of the residents of Settlers' Crossing.

Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the membership shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until a successor is elected at the next annual meeting of the Members of the Corporation.

At any regular or special meeting duly called, any one or more of the Directors may be removed with or without cause by two-thirds (2/3) of the Members, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting. Should any Director miss three (3) consecutive regular meetings of the Board of Directors, he shall be automatically removed from the Board and a successor selected and approved by the Board to fill his unexpired term.

Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least one (1) such meeting shall be held semi-annually. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, by telephone or by telegraph, at least five (5) days prior to the day named for such meeting.

Special meetings of the Board of Directors may be called by the President on five (5) days notice to each Director, given personally, by mail, by telephone or by telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary of the Corporation in like manner and on like notice on the written request of two or more Directors. Before or at any

meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

The Board of Directors may require that all officers, directors, managers, trustees and employees of the Corporation handling or being responsible for Corporation funds, to furnish adequate fidelity insurance or bonds. The premium on such insurance or bonds shall be a Corporation expense.

No member of the Board of Directors shall receive any compensation for acting as such. However, members of the Board of Directors of the Corporation shall be reimbursed for reasonable expenses incurred by them in the performance of Corporation business.

ARTICLE VIII

The officers of the Corporation shall be a President, Vice President, and Secretary/Treasurer, all of whom shall be elected by the Board of Directors, and such assistant officers as the Board shall from time to time elect. The President and Vice President must be members of the Board of Directors.

The officers of the Corporation, with the exception of the President, shall be elected annually by the Board of Directors at the organizational meeting of each new Board, and shall hold office subject only to the continuing approval of the Board.

Upon an affirmative vote of a majority of the Members of the Board of Directors, any officer may have his office removed either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose. Members of the Board may only be removed by vote of the Members as provided elsewhere in these By-laws.

The President shall be the chief executive officer of the Corporation. He shall preside at all meetings of the Corporation and of the Board of Directors unless he is absent. He shall have all of the general powers and duties which are usually vested in the office of president of a corporation, including but not limited to the power to appoint committees other than the

Standing Committee, from among the Members from time to time as he may, in his discretion, decide is appropriate to assist in the operation of the Corporation or as may be established by the Board or by the Members of the Corporation at any regular or special meeting.

The Vice President shall have all the powers and authority and perform all the functions and duties of the President, in the absence of the President, or his inability for any reason to exercise such powers and functions or perform such duties, and also perform any duties he is directed to perform by the President. The Vice President shall be the President of the Association the following term. The Vice President shall be the Chairman of the Future Planning Committee.

The Secretary/Treasurer shall keep all the minutes of the meetings of the Board of Directors and the minutes of all meetings of the Corporation; he shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of Secretary as is provided in the Declaration and the By-laws. The Secretary shall compile and keep up to date at the principal office of the Corporation a complete list of Members, and their last known addresses as shown on the records of the Corporation. Such list shall also show opposite each Member's name the number or other appropriate designation of the Lot owned by such Member. Such list shall be open to inspection by Members and other Persons lawfully entitled to inspect the same at reasonable times during regular business hours. The Secretary/Treasurer shall have responsibility for Corporation funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Corporation; he shall be responsible for the deposit of all monies and other valuable effects in the name, and to credit, of the Corporation in such depositories as may from time to time be designated by the Board of Directors. In the event a managing agent has the responsibility of collecting and disbursing funds, the Treasurer shall review the accounts of the Managing Agent within fifteen (15) days after the first day of each month.

The standing committees shall be a Grounds Committee, a Future Planning Committee a Swimming Pool Committee and an Elections Committee. The Board of Directors shall name the Members of the Standing Committees and shall designate a Chairman for each committee, except that the Chairman of the Future Planning Committee shall be the Vice President.

The Grounds Committee shall obtain and review bids for grounds maintenance and make hiring recommendations to the Board. It shall be responsible for supervising the grounds maintenance contractors in their duties. It shall also be responsible for periodically organizing a volunteer community work day for the Corporation.

The Future Planning Committee shall be in charge of long term goals of the Corporation. This includes reassessing the short term goals, researching and organizing future ideas and presentation of steps of action to reach a long term goal.

The Elections Committee shall supervise the nomination and election of officers.

The Swimming Pool Committee will handle all aspects of the administration of the community swimming pool and will make recommendations thereon to the Board.

ARTICLE IX

Indemnification. The Corporation may indemnify, through insurance commonly known as directors' and officers' liability insurance, every Director, officer, managing agent, their respective successors, personal representatives and heirs, against all loss, cost and expenses, including attorneys' fees, reasonably incurred by him or them in connection with any action, suit or proceedings to which he or they may be made a party by reason of his or their being or having been a Director, officer or managing agent of the Corporation, except as to matters as to which he or they shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Corporation is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duty as such Director, officer or managing agent in relation to the matter involved.

The foregoing rights shall not be exclusive of other rights to which such Director, officer or managing agent may be entitled. All liability, loss, damage, cost and expense incurred or suffered by the Corporation by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Corporation as common expenses.

ARTICLE X

Amendments to By-laws. These By-laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members present in person or by proxy.

In the case of any conflict between the Corporation's Articles of Incorporation and these By-laws, the Articles of Incorporation shall control; and in the case of any conflict between the Declaration and the Articles of Incorporation, the Declaration shall control.

ARTICLE XI

Proof of Ownership. Except for those Members who initially purchase a Lot from Declarant, any person, upon becoming an Owner of a Lot, shall furnish to the managing agent or Board of Directors a true and correct copy of the original or a certified copy of the recorded instrument vesting that Person with an interest or ownership of a Lot, which copy shall remain in the files of the Corporation. A Member shall not be deemed to be in good standing nor shall he be entitled to vote at any annual or special meeting or Members unless this requirement is first met.

Registration of Mailing Address. The Owner or several Owners of a Lot shall have one mailing address to be used by the Corporation, for mailing of statements, notices, demands and all other communications, and such address shall be the only mailing address of a person or persons, firm, corporation, partnership, association or other legal entity or any combination thereof to be used by the Corporation. Such registered address of an Owner or Owners shall be furnished by such Owner to the managing agent or Board of Directors within fifteen (15) days after transfer of title, or after a change of address, and such registration shall be in written form and signed by all of the Owners of the Lot or by such Persons as are authorized by law to represent the interest of the Owner thereof.

Designation of Voting Representative- Proxy. If a Lot is owned by one Person, his right to vote shall be established by the record title thereto. If title to a Lot is held by more than one Person such Owners shall execute a proxy appointing and authorizing one Person or alternate Persons to attend all annual and special meetings of Members and there as to cast whatever vote the Owner himself might cast if he were personally present. Such proxy shall be effective and remain in force unless voluntarily revoked, amended or sooner terminated by operation of law; provided, however, that within thirty (30) days after such revocation, amendment or termination, the Owners shall reappoint and authorize one Person or alternate Persons to attend all annual and special meetings as provided by this Article. The requirements contained in Article XII of these By-laws shall be first met before an Owner of a Lot shall be deemed in good standing and entitled to vote at an annual or special meeting of Members.

ARTICLE XII

Assessments. All Members shall be obligated to pay the annual assessments and special assessments imposed by the Corporation. The annual assessments imposed hereunder shall be due and payable annually in advance. The amount of such assessments may be altered in accordance with the Declaration. A Member shall be deemed to be in good standing and entitled to vote at any annual or special meeting of Members if, and only if, he shall have fully paid all assessments made or levied against him and the Lot or Lots owned by him, and is not in violation of any rule or regulation of the Corporation then in force.

Lien. The obligation of each Member to pay assessments shall be secured by a forecloseable lien on the Lot owned by that Member in favor of the Corporation and such obligation shall run with the land and survive any sale thereof.

General. Each Member shall comply strictly with the provisions of the Declaration, these By-laws, and all amendments thereto.

Use of Common Areas. Each Member may use the Common Areas and sidewalks located within the subdivision in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other Members; provided, however, that any Member or the Corporation may, by a majority vote of the Board of Directors, be excluded

from any or all of the Common Areas of Settlers' Crossing for violating the rules established by the Corporation regarding the use of said Common Areas. Any such exclusion may be for a duration of time not to exceed sixty (60) days.

ARTICLE XIII

These By-laws apply to all of the Property described in the Declaration. In addition to the Property, other adjacent or adjoining properties may be included, in which event the Owners of Lots in said additional property shall also be Members of the Corporation, and shall be subject to these By-laws.

ARTICLE XIV

If additional phases are dedicated and annexed to Settlers' Crossing, any Common Areas included therein would also qualify as common use areas for the Members and may be owned by the Corporation. Upon such time as record ownership of the Common Areas is vested in the Corporation, the Members of the Corporation shall have the right to use the Common Areas as hereinafter specified.

Every Member shall have a right and easement of enjoyment in and to the Common Areas and such easement shall be appurtenant to and shall pass with the title to every assessed Lot, subject to the following provisions:

- (a) The right of the Corporation to limit by rule the number of guests of Members, the Common Areas which may be used by guests of Members, and the conditions under which Common Areas may be used by Members and/or their guests, subject to the terms and provisions hereof.
- (b) The right of the Corporation to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Areas.
- (c) The right of the Corporation, in accordance with its Articles of Incorporation and By-laws and with the assent of two-thirds (2/3) of each class of Members, to borrow monies for the purpose of improving the Common Areas and facilities and in aid thereof to mortgage said Common Areas or any portion thereof, and the rights of said mortgagee in said properties shall be subordinate to the rights of the Members hereunder.
- (d) The right of the Corporation to suspend the voting rights and right to use of the Common Areas by a Member for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for an infraction of its published rules and regulations.

(e) The right of the Corporation to dedicate or transfer all or any part of the Common Areas to any public agency, public authority or utility for such purposes and subject to such conditions as may be agreed to by the Members of the Corporation; provided, however, that no such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer and signed by two-thirds (2/3) of each class of Members is filed of record in the office of the County Clerk for Oklahoma County.

Any Member may delegate, in accordance with the By-laws, his right of enjoyment to the common area and facilities to the Members of his family, his tenants or contract purchasers who reside on the property, subject to such rules, regulations and limitations as the Corporation may, from time to time, establish.

The Corporation shall control, maintain, manage and improve the Common Areas as provided in said Declaration and in its Articles of Incorporation and By-laws. Such right and power of control and management shall be exclusive.

Although Board of Directors of the Corporation may from time to time establish rules and regulations governing the use of the Corporation's Common Areas by Members of all classes and their guests, such rules and regulations, as from time to time are adopted, shall be uniform as to all Members regardless of class.

ARTICLE XV

Creation of Lien and Personal Obligation of Assessment. All Members of the Corporation, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay the Corporation: (1) annual assessments and charges; and (2) special assessments for capital improvements or repairs, to be fixed, established, and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof (including attorneys' fees), as hereinafter provided, shall be a charge on the land and may be evidenced by a continuing lien in favor of the Corporation upon each Lot against which each such assessment is made, and shall be superior to any homestead right or other exemption provided by law, which lien may be enforced by the Corporation and may be foreclosed in any manner provided by the laws of the State of Oklahoma for the foreclosure of mortgages or deeds of trust, with or without power of sale. Each such assessment, together with interest, costs and reasonable attorneys' fees shall also be the personal obligation of the Person who was the Owner of such Lot at the time when the assessment fell due. The personal obligations and encumbrances contained in this Article XV of these By-laws shall touch and concern the land and shall pass to every Owner's successors in title. The Lots owned by the Class B Member shall not be subject to any assessment. Nothing in this Article XV shall create any obligation by the Class B Member to pay any assessment by the Corporation.

The Assessments levied by the Corporation shall be used exclusively for the purpose of promoting the health, safety, welfare and community of the Members, and for the improvement and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas, including, but not limited to, the maintenance of insurance thereon, repairs, replacements and additions thereto, payment of ad valorem and other property taxes and assessments levied thereon, for the cost of labor, equipment, materials, management and supervision thereof, and utility services for the Common Areas.

Until January 1 of the year immediately following the conveyance of the first Lot by Declarant to an Owner, the maximum annual assessment that may be imposed on a Class A Member shall be \$100.00, and the maximum assessment that may be imposed on the Class B Member shall be \$75.00 per Lot.

From and after January 1 of the year immediately following the conveyance of the first Lot by Declarant to an Owner, the maximum annual assessment imposed upon the Members may be increased from \$100.00 by the Association's Board of Directors effective January 1 of each year without a vote of the membership in conjunction with the rise, if any, of the Consumer Price Index (as announced by the United States Department of Labor) for the preceding calendar year.

From and after January 1 of the year immediately following the conveyance of the first Lot by Declarant to an Owner, the maximum annual assessment imposed upon Class A Members may be increased in a percentage greater than that established by the Consumer Price Index for the previous year by a vote of the general membership of the Corporation for the next succeeding year provided that any such charge shall have the assent of two-thirds (2/3) of the Members pursuant to votes cast in person or by proxy, at a meeting called for this purpose, written notice of which shall be sent to all Members not less than thirty (30) nor more than sixty (60) days in advance of the meeting setting out the purpose of the meeting.

In addition to the annual assessments authorized above, the Corporation may levy in any assessment year, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Areas, including the fixtures and personal property related thereto; provided that any such assessment shall have the consent of at least one-half (1/2) of the Members pursuant to votes cast in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than thirty (30) nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting; provided further, that the maximum amount of any special assessment which may be assessed against any Member in any assessment year shall not exceed an amount equal to three times the annual dues assessed against said Members for the same year.

Both annual and special assessments must be fixed at a uniform rate for each Member and may be collected on an annual basis.

At any meeting of the Members of the Corporation, the presence at the meeting of Members or of proxies entitled to cast a majority of all the votes of each class of membership shall constitute a quorum; provided; however, that if the required quorum is not present at any meeting duly called, the Members present, though less than a quorum, may give notice to all Members as required herein for transaction to be considered, at an adjourned meeting, and at the adjourned meeting one-half (1/2) of the required quorum at the preceding meeting shall constitute a quorum. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance by Declarant of the initial Common Areas to the Corporation. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Corporation's Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. Within ten (10) days after a single-family home is initially occupied by any Person, whether by lease or otherwise, the Owners thereof shall furnish written notice of commencement of such occupancy to the Corporation. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors, which in no event shall be more than sixty (60) days after the obligation to pay an assessment accrues. The Corporation shall, upon demand at any time, furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A reasonable charge may be made by the Board of the issuance of these certificates. Such certificate shall be conclusive evidence of the payment of any assessment therein stated to have been paid.

Any assessments which are not paid when due shall be delinquent. If any assessment is not paid within sixty (60) days after its due date, the assessment shall bear interest from its due date at an annual rate of one and one-half percent (1 1/2%) per month plus a late fee of \$25.00, and the Corporation may bring an action at law against the Owner personally obligated to pay the same, and/or file and foreclose a lien against the property as provided by the laws of the State of Oklahoma for the foreclosure of a mortgages or deeds of trust, with or without power of sale; and interest costs and reasonable attorneys' fees of such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his or her Lot.

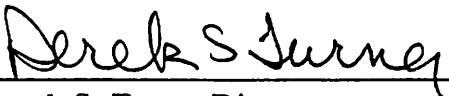
The lien of the assessments provided for herein shall be subservient to any bona-fide lien or other security interest created by a real estate mortgage covering any Lot that is filed of record in the land records of Oklahoma County, State of Oklahoma subsequent to the filing of these Declarations. Sale or transfer of any Lot shall not affect the assessment or enforceability of any lien created by virtue of these By-laws.

Exempt Property. The following property subject to these Declarations shall be exempt from the assessments:

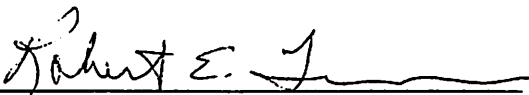
- A. All properties dedicated to and accepted by a local public authority; and
- B. The Common Areas.

ADOPTED this 30th day of April, 1998.

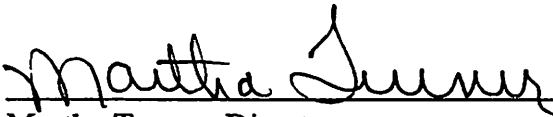
SETTLERS' CROSSING ASSOCIATION, INC.
An Oklahoma Corporation



Derek S. Turner Director



Robert E. Turner, Director



Martha Turner, Director