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**BYLAWS
OF
REGENCY POINTE PROPERTY OWNERS' ASSOCIATION, INC.,
An Oklahoma non-profit corporation**

ARTICLE I

This corporation shall be known as the REGENCY POINTE PROPERTY OWNERS' ASSOCIATION, INC. (the "Corporation").

ARTICLE II

The principal place of business shall be at 1000 West Wilshire, Suite 308, Oklahoma City, Oklahoma 73116. Other offices may be maintained at such other places as the Directors may from time to time determine.

ARTICLE III

The purpose for which the Corporation is formed is to acquire, own and provide for the maintenance and management of the Common Areas located within all sections of Regency Pointe, a subdivision in Oklahoma City, Oklahoma County, Oklahoma (collectively, the "Residential Community"), and to provide maintenance services for said Property, all in accordance with the Declaration of Covenants, Conditions and Restrictions for Regency Pointe Section One, Oklahoma City, Oklahoma County, Oklahoma (the "Declaration") recorded in the office of the County Clerk of Oklahoma County, Oklahoma, on August 26, 2004 in Book 9440 at Page 1570 and subsequent Declarations filed for future additions within the Residential Community.

ARTICLE IV

Unless the defined terms in these Bylaws or the context of these Bylaws clearly indicate otherwise, all definitions contained in the Declaration, as amended, supplemented or restated from time to time shall apply hereto and are incorporated herein by reference. Any Member of the Corporation is subject to the provisions and regulations set forth in these Bylaws.

ARTICLE V

Every Person who is a record owner of a fee or undivided interest in any Lot within the Residential Community is automatically a Member of the Corporation and is subject to the Declaration, as amended, supplemented or restated covering all or any part of the Residential Community. The foregoing is not intended to include Persons holding an interest merely as security for the performance of an obligation. No Owner shall have more than one (1) membership interest for each Lot. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Corporation. Ownership of such Lots shall be the sole qualification for membership in the Corporation.

ARTICLE VI

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

Class A. With the exception of the Class B Member, the Class A Members shall be all those Owners as defined in Section 4.2 of the Declaration. Class A Members, whether or more Persons, shall be entitled to one (1) vote for each Lot in which such Members hold the interest required for membership stipulated in Section 4.2 of the Declaration. When more than one Person holds an interest in any Lot, all of such Persons shall be Members. The vote for such Lot shall be exercised as such co-Owners among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Member shall be Declarant, its successors and assigns. The Class B Member shall be entitled to three (3) votes for each Lot in which the Declarant holds the interest required for membership stipulated in Section 4.2 of the Declaration; provided, however that the Class B membership shall be converted to Class A membership on the earlier to occur of: (a) the last Lot in the Subdivision having been deeded to a Class A Member; or (b) ten (10) years from the date the Declaration is recorded.

ARTICLE VII

Meetings of the Members shall be held at least annually each year beginning on the earlier to occur of: (a) the last Lot in the Subdivision having been deeded to a Class A Member; or (b) ten (10) years from the date the Declaration is recorded at such location, within or without the State of Oklahoma, as the Board of Directors may determine. Each subsequent annual meeting of the Members will be held the second Tuesday in January on the date and at a location set by the Board of Directors. The purposes of the annual meeting are: (a) the election of the Board of Directors consisting of not less than three (3) or more than six (6) members who shall serve for the ensuing year; and (b) the transaction of such other business of the Corporation as may properly come before the meeting. Special meetings of the Members may be called at any time by the President of the Corporation, or by a majority of the Board of Directors, or upon written request of a majority of the Members delivered to the Secretary of the Corporation. However, no meeting of Members shall be called or held within sixty (60) days of the preceding meeting. At any meeting of the Members, the presence at the meeting of Members or of proxies entitled to cast a majority of all the votes shall constitute a quorum; provided, however, that if the required quorum is not present at a duly called meeting, the Members present, though less than a quorum, may give notice to all Members of the 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.

The Secretary of the Corporation shall mail a notice of each meeting, stating the purposes thereof, the items on the agenda, including the general nature of any proposed amendment to the Declaration or these Bylaws, as well as the time and location such meeting is to be held to each Member not less than ten (10) days nor more than thirty (30) days prior to said meeting.

ARTICLE VIII

The Declarant shall determine the Appointed Board and appoint, dismiss and reappoint such Appointed Board members until the initial meeting of Members at which the First Elected Board members are elected pursuant to Section 4.4 of the Declaration. The Appointed Board may engage the Declarant, an affiliate of Declarant or other entity to perform the day-to-day operations of the Corporation, including, without implied limitation, the maintenance, repair, replacement, administration and operation of the Subdivision, which action by Declarant or an affiliate of Declarant shall not be deemed a conflict of interest. The election of the First Elected Board shall occur at the Members' annual meeting to be held on the earlier to occur of: (a) the last Lot in the Subdivision having been deeded to a Class A Member; or (b) ten (10) years from the date the Declaration is recorded, unless Declarant sooner relinquishes control of

the Corporation. Annual meetings of Members and Directors thereafter shall be held the second Tuesday in January of each year. Special meetings of the Members shall be held at such location, time and on the date specified in the notice or as provided in these Bylaws.

The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Corporation and for the maintenance of the Common Areas within the Residential Community. The powers and duties of the Board of Directors shall include, but shall not be limited to, the following, all of which shall be performed 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 Regulations and all other provisions set forth in the Declaration, as amended.

b) **Rules and Regulations.** 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 within the Residential Community, with the right to amend the same from time to time. A copy of such Rules and Regulations, and any amendments thereto, shall be delivered or mailed by the Secretary to each Member within five (5) days following the adoption thereof.

c) **Maintenance of Common Areas.** To keep in good order, condition and repair the Common Areas and all items of common personal property used by the Owners in the enjoyment of the Residential Community.

d) **Insurance.** To insure the Common Areas in an amount equal to its maximum replacement value. Further, to obtain and maintain comprehensive general liability insurance coverage for at least One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage.

e) **Budget; Determination of Assessments; Increase or Decrease Same; Levy of Special Assessments.** To prepare an annual budget for the Corporation, to determine the amount of Annual Maintenance Charges payable by the Members to meet the common expenses of the Corporation, to allocate and assess such Annual Maintenance Charges among the Members and, by a majority vote of the Board of Directors, to adjust the amount of the Annual Maintenance Charges 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, additional capital expenses or because of emergencies. Annual Maintenance Charges and Special Assessments are hereafter sometimes referred to collectively as "Assessments."

f) **Enforcement of Assessment Lien Rights.** To collect delinquent Assessments by suit or otherwise and to enjoin or seek damages from a Member who may be in default in payment of such Assessments as provided in the Declaration and these Bylaws. To collect interest at the rate of eighteen percent (18%) per annum plus a late fee of Twenty-Five Dollars (\$25) (per month) in connection with Assessments remaining unpaid more than thirty (30) days from due date, together with all costs and expenses incurred in connection therewith, including attorneys' fees.

g) **Protect and Defend.** To protect and defend the Residential Community from loss and damage by suit or otherwise.

h) **Borrow Fund.** To borrow funds in order to pay for any expenditure required pursuant to the Declaration or these Bylaws, and to execute all such documents evidencing such indebtedness as the Board of Directors deems necessary.

i) **Contract.** To enter into contracts within the scope of the Board's duties and powers.

j) **Bank Account.** To establish a bank account for the Maintenance Fund and such additional 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 necessary to maintain the Common Areas in a first class manner.

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

m) **Meetings.** To meet at least semi-annually (second Tuesday in January and second Tuesday in June) provided that any Board of Directors meeting may be conducted by telephone or other device which permits all of the Directors in attendance to participate at 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 members of the Board.

n) **Personnel.** To designate, employ and dismiss the personnel necessary for the maintenance and operation of the Common Areas or other administration of the Residential Community or the Corporation.

o) **Managing Agent.** To employ for the Corporation a management agent ("Managing Agent") who shall have and exercise the powers granted to the Board of Directors by the Declaration and Bylaws except for the powers of attorney-in-fact set forth in the Declaration.

p) **All Things Necessary and Proper.** To do all things necessary and proper for the sound and efficient management of the Residential Community, Common Areas and to advance the health, safety and welfare of the Members.

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 majority vote of the remaining Directors, even though they may constitute less than a quorum; each person so elected shall be a Director until a successor is elected at the next annual meeting of the Corporation.

At any regular or special meeting duly called, any one (1) 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, such Director shall be automatically removed from the Board and a successor selected and approved by the Board to fill such Director's 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 telefacsimile at least five (5) days prior to the day named for such meetings.

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 telefacsimile 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 (2) 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 such Director 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 responsible for Corporation funds furnish adequate fidelity insurance or bonds. The premium for such insurance or bonds shall be a Corporation expense.

ARTICLE IX

The officers of the Association 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 to the continuing approval of the Board.

Upon an affirmative vote of a majority of the Board of Directors, any officer may have his office removed either with or without cause, and his successor elected at any regular or special meeting of the Board of Directors called for such purpose. Members of the Board may only be removed by vote of the Members as provided elsewhere in these Bylaws. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary.

Such resignation will take effect on the date of receipt of such notice or at any later time specified in the notice, and unless otherwise specified in the notice, the acceptance of such resignation will not be necessary to make it effective.

The President shall be the chief executive officer of the Corporation. The President shall preside at all meetings of the Corporation and of the Board of Directors. The President shall have all of the general powers and duties usually vested in the office of president of a corporation, including, but not limited, the appointment of committees and the members to serve on such committees other than the Standing Committees, as the President, in the President's sole discretion determines are 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 the President's inability for any reason to exercise such powers and functions or perform such duties, and also perform any duties the Vice President is directed to perform by the President. The Vice-President shall be President of the Corporation the following term and the Vice-President shall serve as the Chairman of the Future Planning Committee.

The Secretary/Treasurer shall: (a) keep minutes of the meetings of the Board of Directors and Members; (b) shall have charge of such Corporation books and papers as the Board of Directors may direct; (c) in general, perform all the duties incident to the office of Secretary as provided in the Declaration or these Bylaws (d) compile and maintain a complete list of Members, their last known notice address and the Lot(s) owned by such Member, which list shall be open to inspection by Members and other persons lawfully entitled to inspect the same at reasonable times during regular business hours; (e) have responsibility for Corporation funds, shall be responsible for keeping full and accurate accounts of all Corporation receipts and disbursements; and (f) shall be responsible for the deposit of all monies and other valuable effects in the name and to the 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 (1st) day of each month.

The Standing Committees shall be a Grounds Committee, an Architectural Review 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.

(a) **The Grounds Committee** shall: (a) obtain and review bids for grounds maintenance and make hiring recommendations to the Board; (b) be responsible for supervising the grounds maintenance contractors; and (c) be responsible for periodically organizing Members for a volunteer community workday.

(b) **The Architectural Review Committee** shall perform the functions required by the Declaration with respect to approval of Plans for new construction and renovations in accordance with the Architectural Guidelines promulgated by the Architectural Review Committee, as the same may be amended from time to time, which set forth the minimum acceptable standards to be complied with to preserve the overall architectural and aesthetic appearance, the natural setting and beauty of the Subdivision, to establish and preserve a harmonious design for the Subdivision and to protect and promote the monetary value of the Subdivision.

(c) **The Election Committee** shall supervise the nomination and election of officers.

Future Planning Committee. The Members of the Future Planning Committee shall be appointed by the President and the Vice President of the Corporation shall serve as Chairman. The Future Planning Committee shall undertake such tasks as the Board of Directors may direct.

ARTICLE X

Indemnification. The Corporation may indemnify, through insurance commonly known as directors and officers liability insurance, every Director, officer, Managing Agent (if any), their respective successors, personal representatives and heirs, against all loss, cost and expenses, including legal fees, reasonably incurred in connection with any action, suit or proceedings to which he may be made a party by reason of being or having been a Director, officer or Managing Agent (if any) of the Corporation, except as to matters as to which he 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 of such Director, officer or Managing Agent (if any) in relation to the matter involved,

The foregoing rights shall not be exclusive of other rights to which such Director, officer or Managing Agent (if any) 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 to be paid by the Members as part of the Annual Maintenance Charges.

ARTICLE XI

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

Conflicts between Documents. In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and the Articles, the Declaration shall control.

ARTICLE XII

Proof of Ownership. Except for those Builders who initially purchase a Lot from the Declarant, any Person, on becoming an Owner of a Lot, shall furnish to the Managing Agent (if any) or the Board of Directors a true and correct copy of the original or a certified copy of the recorded document 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 such Member be entitled to vote at any annual or special meeting of Members unless this requirement is first met.

Registration of Mailing Address. The Owner, whether one or more, of a Lot shall have the same mailing address to be used by the Corporation for mailing of annual statements, notices, demands and all other communications. Such address of an Owner, whether one or more, shall be furnished by such Owner(s) to the Managing Agent (if any) 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(s) thereof.

Designation of Voting Representative - Proxy. If a Lot is owned by one Person, such Owner's 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 (1) Person or an alternate Person to attend all annual and special meetings of Members and there to cast whatever vote the Owner might cast if 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 (1) Person or alternate Person to attend all annual and special meetings as provided by this paragraph. The requirements herein contained in Article XIII shall be first met before an Owner of a Lot shall be deemed in good standing and entitled to vote an annual or special meeting of Members.

ARTICLE XIII

Assessments. All Members shall be obligated to pay the Annual Maintenance Charges imposed by the Corporation to meet the common expenses. The Annual Maintenance Charges imposed hereunder shall be due and payable annually in advance. The amount of such Annual Maintenance Charges may be altered in accordance with the Declaration or these Bylaws. A Member shall be deemed to be in good standing and entitled to vote at any annual or special meeting of Members within the meaning of these Bylaws, if, and only if, all Assessments made or levied against such Owner's Lot have been paid and such Owner is not in violation of any rule or regulation of the Corporation then in effect.

Lien. The obligation of each Member to pay Assessments shall be secured by a foreclosable lien on the Lot 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 and these Bylaws and amendments thereto.

Use of Common Areas. Each Member may use the Common Areas and sidewalks located within the Residential Community in accordance with the purpose for which intended without hindering or encroaching upon the lawful rights of the other Members; provided, however, that any Member may, by a majority vote of the Board of Directors, be excluded from any or all of the Common Areas of the Residential Community for repeatedly violating the Rules and Regulations established by the Corporation regarding the use of said Common Areas. Any such exclusion shall last as long as, in the Board of Directors' sole discretion, is deemed necessary.

Article XIV

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 such Lot, subject to the following provisions.

a) The right of the Corporation to limit 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.

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 and these Bylaws and with the assent of two-thirds (2/3) of the 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 Mortgage 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 the recreational facilities by a Member for any period during which any assessment against such Member's Lot remains unpaid; and for a period not to exceed sixty (60) days for an infraction of the 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 a document agreeing to such dedication or transfer signed by two-thirds (2/3) of the Members is filed of record in the office of the County Clerk for Oklahoma County, Oklahoma.

Any Member may delegate, in accordance with these Bylaws, such Member's right of enjoyment to the Common Area and facilities to the Members of his family, his tenants or contract purchasers who reside in the Residential Dwelling, subject to such Rules and Regulations and limitations as the Corporation may from time to time establish.

Declarant has covenanted that the Declarant will convey fee simple title to the Common Areas as shown by the Plats of the various sections of Regency Pointe to the Corporation prior to the first Lot in such section being conveyed and occupied as a residence.

The Corporation shall control, maintain, manage and improve the Common Areas as provided in the Declaration, the Articles and these Bylaws. Such right, power of control and management shall be exclusive.

The Board of Directors may from time to time establish Rules and Regulations governing the use of the Common Areas by Members and their guests; provided that such Rules and Regulations as from time to time adopted shall be uniform as to all Members.

ARTICLE XVI

Creation of Lien and Personal Obligation of Assessment. Each Owner of a Lot within the Residential Community, by acceptance of a deed therefor, whether so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay the Association: (a) Annual Maintenance Charges; and (b) Special Assessments for capital improvements; such assessments to be fixed, established and collected from time to time as provided in these Bylaws. The Annual Maintenance Charges and Special Assessments, together with such interest thereon and costs of collection thereof, as provided in these Bylaws, shall be a charge on the land and shall be a continuing lien upon the property

against which each such assessment is made, 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, with or without power of sale. Each Annual Maintenance Charge and Special Assessment, together with such interest, costs and reasonable attorneys' fees shall also be the personal obligation of the Owner of such Lot at the time the Assessment became due. The personal obligation shall not pass to a Member's successors in title unless expressly assumed by them; but, nevertheless, the lien above mentioned arising by reason of such Annual Maintenance Charge or Special Assessment shall continue to be a charge and lien upon the land as above provided.

Purpose of Assessments. The Assessments levied by the Corporation shall be used exclusively for the purpose of promoting the health, safety and welfare of the Corporation's membership, and in particular, 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, ad valorem and other real property taxes and assessments levied thereon, for the cost of labor, equipment, materials, management and supervision thereof, and utility services for the Common Areas.

Basis and Maximum of Annual Maintenance Charge. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum Annual Maintenance Charge shall be Five Hundred Dollars (\$500). From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum Annual Maintenance Charge may be increased effective January 1 of such year without a vote of the membership in conjunction with the rise, if any, of the Consumer Price Index (published by the Department of Labor, Washington, D.C.) for the preceding month of July. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum Annual Maintenance Assessment may be increased above that established by the Consumer Pricing Index formula by a vote of the Members provided that, any such change shall have the assent of a majority 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) days nor more than sixty (60) days in advance of the meeting setting out the purpose of the meeting. After consideration of current maintenance costs and future needs of the Corporation, the Board of Directors may fix the Annual Maintenance Charge at an amount in excess of the maximum provided in this Article XVI.

Special Assessments for Capital Improvements. In addition to the Annual Maintenance Charge authorized above, the Corporation may levy in any assessment year a Special Assessment applicable to that year only, 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 necessary fixtures and personal property related thereto; provided that, any such assessment shall have the assent of a majority 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) days 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 in any assessment year shall not exceed an amount equal to twice the Annual Maintenance Charge assessed against said Members for the same year.

Uniform Rate of Assessment. Both Annual Maintenance Charges and Special Assessments must be fixed at a uniform rate for each Member and shall be collected on an annual basis.

Commencement Date of Annual Maintenance Charges. The Annual Maintenance Charges provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first Annual Maintenance Charge shall be .adjusted according to the number of months remaining in the calendar year. Within ten (10) days after a Residential Dwelling is initially occupied by any Person, whether by lease or otherwise, the Owner thereof shall furnish written notice of commencement of such occupancy to the Corporation. The Board of Directors shall fix the amount of the Annual Maintenance Charge against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the Annual Maintenance Charge shall be sent to every Member. The

due date(s) shall be established by the Board of Directors. The Corporation shall, upon demand at any time, furnish a certificate in writing signed by an officer of the Corporation setting forth whether the Assessments on a specified Lot have been paid. A reasonable charge may be made by the Board and/ or the Managing Agent, if any, if directed by the Board for the issuance of these certificates. Such certificate shall be conclusive evidence of the payment of any Assessment therein stated to have been paid.

Effect of Non-Payment of Assessments and Remedies. Any Assessment not paid when due shall be delinquent. If the Assessment is not paid within thirty (30) days after its due date, the Assessment shall bear interest at the rate of eighteen percent (18%) per annum plus a late fee of Twenty-Five Dollars (\$25.00) per month, and Corporation may bring an action at law against the Member personally obligated to pay same, and or foreclose the lien against the Lot as provided by the laws of the State of Oklahoma for the foreclosure of a Mortgage, 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 Member may waive or otherwise escape liability for the Assessments provided herein by non-use of the Common Areas or abandonment of such Owner's Lot.

Subrogation of Lien to Mortgage. The lien of the Assessments provided for herein shall be subordinate to the lien of any first lien priority Mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot, which is subject to any Mortgage or any proceeding in lieu of foreclosure thereto, shall extinguish the lien of such Assessments as to payment thereof which became due prior to such sale or transfer. No sale or transfer shall relieve the Owner of such Lot from liability for any Assessments thereafter becoming due or from the lien thereof.

Exempt Property. Even though subject to the Declaration, the Common Areas and all property dedicated to and accepted by a Utility Company shall be exempt.

ARTICLE XVII

Nonprofit Corporation. The Corporation is not organized for profit. No Member of the Corporation, member of the Board of Directors or Person from whom the Corporation may receive any property or funds will receive or will be lawfully entitled to receive any pecuniary profit from the operations of the Corporation, and in no event will any part of the funds or assets of the Corporation be paid as a dividend or be distributed to or inure to the benefit of any member of the Board of Directors. Notwithstanding the foregoing, (a) reasonable compensation may be paid to any Member or Director acting as an agent or employee of the Corporation for services rendered in effecting one or more of the purposes of the Corporation; (b) any Member or Director may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Corporation and any Director may be reimbursed for actual expenses incurred in the performance of such Director's duties.

Fiscal Year. The fiscal year of the Corporation will begin on the first day of January and end on the 31st day of December every year, except that the first fiscal year shall begin on the date of incorporation.

DATED this 15th day of December, 2003 by Luana Pender, Secretary.