

BY-LAWS OF THE RESERVE AT BATTLE CREEK MASTER HOMEOWNERS' ASSOCIATION, INC.

BY-LAWS of THE RESERVE AT BATTLE CREEK MASTER HOMEOWNERS' ASSOCIATION, INC. adopted the 2nd day of July, 2002 and revised by the Associations' Board of Directors at its board meeting June 21, 2006.

ARTICLE I *Definitions*

Section 1. "Addition" shall mean The Reserve at Battle Creek Addition to the City of Broken Arrow, Tulsa County, Oklahoma.

Section 2. "Association" shall mean The Reserve at Battle Creek Master Homeowners' Association, Inc., an Oklahoma non-profit corporation.

Section 3. "Articles of Incorporation" shall mean the Articles of Incorporation creating the Association filed with the Secretary of State of Oklahoma on July 2, 2002.

Section 4. "Board of Directors" shall mean the Board of Directors of the Association provided for in the Articles of Incorporation.

Section 5. "Declaration" shall mean the Declaration of Covenants of THE RESERVE AT BATTLE CREEK.

Section 6. Other terms and words defined in the Articles of Incorporation or the Declaration shall have the meaning given to them in such document(s).

ARTICLE II *Meetings*

Section 1. Membership in the Association. The Declaration contains provisions concerning the qualifications for membership in the Association and the rights and privileges of membership and such provisions are hereby adopted by reference as a part of these By-Laws.

Section 2. Annual Meetings. The first annual meeting of the membership of the Association shall be held on or before July 1, 2004, or at such later date as is established by the Board of Directors on a date, at a time and in a place to be set by the Board of Directors. Each subsequent regular annual meeting of the members shall be held at a place determined by the Board of Directors on the same day of the same month of each year thereafter, or within 10 calendar days thereof as may be determined by the Board of Directors.

Section 3. Special Meetings. Special meetings of the members may be called at any time by the President of the Association or by the Board of Directors, or upon written request of the members who are entitled to vote $\frac{1}{4}$ of all of the votes of the Class A membership.

Section 4. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice at least 15 calendar days before such meeting to each member to vote thereat, addressed to the member's address last appearing on the books of the Association for the purpose of notice. Such notice shall specify the place, day, and time of the meeting, and in the case of a special meeting, the purpose of the meeting.

Section 5. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, 1/10 of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 6. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically terminate upon conveyance by the member of his Lot.

ARTICLE III

Board of Directors, Selection and Term of Office

Section 1. Number. The affairs of the Association shall be managed by a board of seven (7) directors who shall be members of the association and eligible to vote on Association matters. Subject to the availability of volunteers, the recommended composition of the board shall be three (3) members from areas outside The Villas and The Cottages, and two (2) members from both The Villas and The Cottages.

amended 08/19/2008

Section 2. Term of Office. The members shall elect directors for a term of two (2) years. Directors' terms shall be staggered so that expiring terms shall number four (4) and three (3) in alternating years.

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Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of the death, resignation or removal of a director, his successor shall be elected by the remaining members of the Board of Directors and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action without a meeting. The directors shall have the power to take any action in the absence of a meeting which they could take at a meeting by obtaining

the written approval of the directors. Any action so approved shall have the same effect as though taken at a duly called meeting of the Board of Directors.

ARTICLE IV

Nomination and Election of Directors

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members to serve from the close of each annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nomination shall be made from among the members of the Association.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. Where there is only one nominee or volunteer at a members' meeting, a voice vote may approve the new director. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles of Incorporation and the Declaration. The person receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE V

Meetings of Directors

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly or sooner without notice, at such place and time as may be fixed from time to time by resolution of the Board of Directors. Should such meeting fall upon a legal holiday, then it shall be held on the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two directors, after not less than 3 calendar days notice to each director.

ARTICLE VI

Powers and Duties of the Board of Directors

Section 1. Powers. The Board of Directors shall have power to:

Adopt and publish rules and regulations governing the use of the Reserve Areas and facilities owned by the Association and the personal conduct of the members, their families and guests thereon, and to establish penalties for the violation thereof,

Suspend the voting rights of a member during any period during which such member shall be in default in the payment of any assessment levied by the Association, or, after notice and hearing, for a period of 60 days for violation of published rules and regulations of the Association,

Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of the Articles of Incorporation, the Declaration or these By-Laws,

Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from 3 consecutive regular meetings of the Board of Directors, and

Employ or contract for the services of managers, contractors, accountants, attorneys, advisors, engineers, consultants or other persons or entities as they deem necessary and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members of the Association at the annual meeting of the members or at any special meeting when such statement is requested in writing by $\frac{1}{4}$ of the Class A members who are entitled to vote,

Supervise all officers, agents and employees of the Association and to see their duties are properly performed,

As more fully provided in the Declaration, to:

Fix the amount of the Annual Assessment against each Lot at least 30 calendar days in advance of each annual assessment period,

Send written notices of each Annual Assessment and Special Assessment to every Owner subject thereto at least 30 calendar days in advance of the due date thereof,

Levy fines and foreclose the lien of any assessment against any property for which assessments are not paid within 30 calendar days after the due date thereof an/or bring an action at law against the Owner personally obligated or liable to pay the same, and

amended 11/13/2008

Enforce the Protective Covenants applicable to the Addition in such manner as it deems appropriate.

Upon the payment of a reasonable charge, issue, or cause an appropriate officer of the Association to issue, upon request by any person, a certificate setting forth whether any assessment against a Lot has been paid which certificate shall be conclusive evidence of such payment,

Procure and maintain adequate liability and hazard insurance upon property owned by the Association,

Cause the Reserve Areas owned by the Association within the Addition to be properly maintained, and

Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.

ARTICLE VII

Officers and Their Duties

Section 1. Enumeration of Officers. The officers of the Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary, a Treasurer and such other officers as the Board may from time to time deem appropriate.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members of the Association.

Section 3. Term. The officers of the Association shall be elected annually by the Board of Directors and each shall hold office for 1 year or until their successors are elected unless they shall sooner die, resign, be removed or otherwise become disqualified from service.

Section 4. Special Appointments. The Board of Directors may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board of Directors may from time to time determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors. Such resignation shall take effect on the date of receipt or at any later time specified therein and unless otherwise specified therein, the acceptance of such resignation shall not be required.

Section 6. Vacancies. A vacancy in any office may be filled by appointment of the Board of Directors. The person appointed to such vacant office shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of the other offices except in the case of special offices created by the Board of Directors.

Section 8. Duties of Officers. The duties of the officers are as follows.

President

The President shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board of Directors are carried out, shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice President

The Vice-President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act and shall exercise and discharge such other duties as may be required of him by the Board of Directors.

Secretary

The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the members; keep the corporate seal of the Association and affix it on all papers so requiring; serve notice of meetings of the Board of Directors and of the members; keep appropriate current records showing the members of the Association together with their addresses and shall perform such other duties as required by the Board of Directors.

Treasurer

The Treasurer shall receive and deposit in appropriate bank accounts all funds of the Association and disburse such funds as directed by the Board of Directors; sign all checks and promissory notes of the Association; keep proper books of account; cause a financial review of the Association's books to be made by an accountant at the completion of each fiscal year; prepare and file required government reports; provide a budget briefing at each scheduled board meeting; prepare an annual budget for board approval and present the budget and statement of income and expenses to the membership at the annual meeting.

When the Association contracts with an outside company for financial management of the Association, the Treasurer shall oversee the performance of the company relative to the contract; keep the Board of Directors aware of Association financial issues; cause an accountant's financial review of the Association's books managed by the contracted company and have required government reports prepared and filed within required time periods.

ARTICLE VIII

Committees

Section 1. Appointment of Committees. The Board of Directors shall appoint a Nominating Committee as provided in these By-Laws and such other committees as deemed appropriate.

ARTICLE IX

Books and Records

Section 1. Inspection of Books and Records. The books, records and papers of the Association shall at all reasonable times, during reasonable business hours, be subject to inspection by any member of the Association. The Article of Incorporation, the Declaration and the By-Laws of the Association shall be available for inspection by any member of the Association at the principle office of the Association where copies may be purchased at a reasonable cost.

ARTICLE X
Assessments

Section 1. *Payment of Assessments and Lien Thereof.* Each member is obligated and liable to pay to the Association Annual Assessment and Special Assessments which are secured by a continuing lien upon the Lot against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If such assessment is not paid within 30 calendar days after the due date a penalty of \$25 per month shall be imposed, with a maximum penalty per year being equal to the amount of the annual assessment and the Association may bring an action at law against the Owner personally obligated and liable to pay the same and/or foreclose the lien against the assessed Lot for the full amount due including interest, costs and reasonable attorney's fees. No Owner may waive or otherwise escape payment for the assessments provided for herein by nonuse of the Reserve Areas by abandonment of his Lot.

The Board of Directors reserves the right to set up quarterly payments. The quarterly payment plan shall be considered annually, and is based upon the annual dues determined by the Board for the coming year.

Section 2. *Delinquent Payments.* Assessments not paid in full within 30 calendar days of the due date are delinquent and subject to fines and lien filing as stated in Section 1 of this Article. The process for assessment of fines and lien filing shall be as follows:

- A. Mailing of a courtesy letter advising the Owner of the overdue payment, including the fine. The notice shall include the date by which the payment may be made without incurring additional fines. This letter shall be mailed approximately 45 calendar days after the initial due date.
- B. Mailing of a registered letter advising the Owner that a lien will be filed against their Lot if full payment, including fines, is not received within 15 calendar days. This letter shall be mailed approximately 75 calendar days after the initial due date.
- C. Filing of a lien against the Lot for which the assessment and fines are not paid in full. Filing shall occur approximately 15 days after the registered letter in Section 2(B) is mailed.

amended 11/13/2008

ARTICLE XI
Amendments and Conflicts

Section 1. *Amendment.* These By-Laws may be amended by the Board of Directors or at an annual or special meeting of the members of the Association by a vote of the majority of a quorum of members present in person or by proxy.

Section 2. *Conflicts.* In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles of Incorporation shall control.

ARTICLE XII
Miscellaneous

Section 1. Fiscal Year. The fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation of the Association.

IN WITNESS WHEREOF, we are the President and Secretary of the Association, have recorded the passage of the revisions to the By-Laws in the meeting minutes of June 21, 2006, and have hereunto set our hands.

SIGNED BY ROGER FINN
Roger A. Finn, President

SIGNED BY JANICE STILLWELL
Janice Stillwell, Secretary