

BYLAWS

THE VALLEY PROPERTY OWNERS ASSOCIATION, INC.

an Oklahoma Nonprofit Corporation

ARTICLE I

Definitions

1. "Corporation" shall mean and refer to The Valley Property owners Association, Inc., an Oklahoma nonprofit corporation.

2. "Declaration" shall mean the Declaration of Covenants and Restrictions of the Valley, filed in the office of the County Clerk of Oklahoma County is substantially the form of Exhibit "A" hereto.

3. "Lot" shall mean any platted lot now or hereafter subjected to the Declaration.

4. "Property" shall mean and refer to all real property subject to the Declaration.

5. "Owner" shall mean the record owner, whether, one or more persons, of the fee simple title to any Lot, including contract sellers, but shall not include a mortgagee unless such mortgagee has acquired title pursuant to foreclosure; nor shall such term include any other person who has an interest merely as security for the performance of an obligation.

6. Capitalized terms not defined herein shall have the meanings set forth in the Declaration.

ARTICLE II

Location

1. The principal office of the Corporation shall be located at 1140 Northwest 63rd, Suite G-120, Oklahoma City, Oklahoma 73116.

ARTICLE III

Membership

1. Every Owner of a Lot shall be a member of the Corporation concurrently with the recordation of the instrument of conveyance by which said person becomes an owner of a Lot.

2. The rights of membership are subject to the payment of assessments levied by the Corporation in accordance with the Declaration. Such assessments are the personal obligation of the Owner of, and are secured by a lien upon, the Lot against which such assessments are made, as provided in the Declaration.

3. The membership rights of any Owner whether or not he is personally obligated to pay such assessment, may be suspended by the Board during the period when any assessment upon such Owner's Lot remains unpaid; but, upon payment of such assessment, his rights and privileges shall be automatically restored. If the board has adopted and published rules and regulations governing the use of the Property, or portions thereof, it may, in its discretion, suspend the membership rights of any Owner for a violation of such rules and regulations by such Owner or other persons using the Property at such Owner's invitation for a period not to exceed thirty (30) days.

#### ARTICLE IV

##### Voting Rights

1. Except as hereinafter provided, each Owner shall be entitled to one vote in all of the affairs of the Corporation for each Lot owned by such Owner. Valley Developers, Ltd., an Oklahoma limited partnership, the present owner of all Lots in the property, shall be entitled to three votes in the affairs of the Corporation for each Lot owned by it until the earlier of (i) 120 days after the conveyance by it of fifty (50) Lots, or (ii) December 31, 1984, at which time it shall be entitled to the same representation in the affairs of the Corporation for each Lot owned by it as each other Owner. Any reference herein to a percentage or other portion of the Owners shall refer to the Owners who, in the aggregate, have votes in the affairs of the Corporation equal to such percentage or portion of all votes of all Owners.

#### ARTICLE V

##### Property Rights and Rights of Enjoyment of Common Area

1. Each Owner shall be entitled to the use and enjoyment of the Common Area, as provided by the Declaration.

2. Any Owner may delegate his rights of enjoyment in the Common Area to members of his family who reside upon the Property or to any of his tenants who reside thereon. Such Owner shall notify the Secretary of the Corporation in writing Of the name of any such person and the relationship of the Owner to such person. The rights and privileges of such persons are subject to suspension under the provisions of these Bylaws to the same extent as those of the Owner.

## ARTICLE VI

### Corporation Purposes and Powers

1. The Corporation is organized as a nonprofit corporation for the purpose of promoting the health, safety and welfare of the Owners, as more fully set forth in the Articles of Incorporation of the Corporation and the Declaration.

2. Subject to the provisions of the Declaration and to the extent permitted by law, the Corporation may participate in mergers and consolidations with other nonprofit corporations organized for the same purposes, provided that any such merger or consolidation shall have the assent of eighty percent (80%) of the Owners who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be mailed to all Owners at least thirty (30) days in advance and shall set forth the purpose of the meeting.

## ARTICLE VII

### Board of Directors

1. The affairs of the Corporation shall be managed by a Board of five (5) directors, who need not be members of the Corporation. The initial Board of Directors shall hold office until election of their successors. Beginning with the first annual meeting to be held in June of 1984, the members, at each annual meeting, shall elect five (5) directors to serve for a term of one year.

2. Vacancies in the Board of Directors shall be filled by the majority of the remaining Directors, any such appointed Director to hold office until his successor is elected by the Owners, who may make such election at the next annual meeting of the Owners or at any special meeting duly called for that purpose.

3. Members of the Board of Directors shall serve without compensation.

## ARTICLE VIII

### Election of Directors

1. Election to the Board of Directors shall be by secret ballot. At such election, the Owners or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The person receiving the largest numbers of votes shall be elected.

2. Nominations for election to the Board of Directors shall be made by a Nominating Committee and may also be made by any owner from the floor.

3. 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 Corporation. 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 such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each such annual meeting.

4. In the event that any member of the Board of Directors shall be absent from three consecutive regular meetings of the Board of Directors, the Board may, by action taken at the meeting during which said third absence occurs, declare the office of said Director to be vacant.

## ARTICLE IX

### Powers and Duties of the Board of Directors

1. The Board of Directors shall have power:

(i) To call meetings of the Owners whenever it Deems necessary.

(ii) To appoint, remove, designate and dismiss, at its pleasure, all officers, agents and employees of the Corporation, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these Bylaws shall be construed or prohibit the employment of any Owner, officer or director of the Corporation in any capacity whatsoever.

(iii) To establish, levy, assess and correct the assessments charges referred to herein and in the Declaration, and to exercise all rights created by statute, the Declaration, and these Bylaws regarding the collection of delinquent assessments.

(iv) To adopt and publish rules and regulations covering the use of Common Area and the personal conduct of the owners and their guests thereon.

(v) To exercise for the Corporation all powers, duties and authority vested in or delegated to the Corporation, except those reserved to the Owners of the Corporation in accordance with the Declaration.

2. It shall be the duty of the Board of Directors:

(i) To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Owners at the annual meeting of the owners or at any special meeting when such is requested.

(ii) To supervise all officers, agents and employees of the corporation and see that their duties are properly performed.

(iii) To provide for the care, upkeep and surveillance of the Common Area of the Property and the improvements located thereon.

(iv) To perform the duties imposed upon it by the Declaration:

(v) To call a meeting of the Owners upon written request of 25% or more of the Owners.

(vi) To fix the assessments against each Lot as provided in the Declaration.

(vii) To prepare a roster of the Lots and the assessments applicable thereto which shall be kept in the office of the Corporation and shall be open to inspection by any Owner; and

(viii) To send written notice of each assessment to every Owner of the Lot subject thereto.

(ix) To issue, or to cause an appropriate officer to issue, upon demand by any Lot Owner, mortgagee or prospective mortgagee of a Lot, a certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive evidence of the payment of any assessment therein stated to have been paid.

## ARTICLE X

### Directors Meetings

1. Regular meetings of the Board of Directors shall be held on the first Tuesday of each month at 8:00 p.m., provided, that the Board of Directors may, by resolution, change the day and hour of the holding of such regular meetings.

2. Notice of such regular meeting is hereby dispensed with. If the day for the regular meeting shall fall upon a

holiday, the meeting shall be held on the same hour on the first date following which is not a holiday, and no notice thereof need be given.

3. Special meetings of the Board of Directors shall be held when called by any officer of the Corporation or by any two Directors, after not less than three days notice to each Director.

4. The transaction of any business at any meeting of the Board of Directors, however called and noticed, or wherever held, shall be as valid as though made in a meeting duly held after regular call and notice if (i) a quorum is present, and (ii) either before or after the meeting, each of the Directors not present signs a written waiver of notice, or a consent to the holding of such meeting, or any approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made part of the minutes of the meeting.

5. A majority of the Board of Directors shall constitute a quorum thereof.

6. Any action which should be taken at a meeting of the Board of Directors may be taken by written Memorandum and Record of Action signed by all the Directors and filed with the corporate records and made part of the corporate minutes.

## ARTICLE XI

### Officers

1. The officers of the Corporation shall be a President, Vice President, Secretary, Treasurer and such other officers or assistants as the Board of Directors may deem desirable. More than one office may be held by the same person; provided, however, that the offices of President and Vice President or President and Secretary shall not be held by the same person; provided further, that neither the President nor the vice President shall also hold the office of Treasurer. The President shall be a member of the Board of Directors.

2. The officers shall be chosen by a majority vote of the Directors.

3. All officers shall hold office during the pleasure of the Board of Directors and shall serve without compensation.

4. 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 and sign all notes, leases, deeds and all other written instruments to be executed by the Corporation.

5. The Vice President shall perform the duties of the President in the President's absence.

6. The Secretary shall be ex officio the Secretary of the Board of Directors, shall record the votes and keep the minutes of all proceedings in a book to be kept for that purpose. The Secretary shall also keep the records of the Corporation. He shall record in a book kept for that purpose the names of all owners of the Corporation together with their addresses, as registered by such members.

7. The Treasurer shall receive and deposit in appropriate bank accounts all the monies of the Corporation and shall disburse such funds as directed by resolution of the Board of Directors, provided, however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the owners. The Treasurer shall sign all checks of the Corporation provided, that such checks shall also be signed by the president or vice president.

8. The Treasurer shall keep proper books of account and cause an annual audit of the Corporation books to be made by a certified public accountant at the completion of each fiscal year. He shall prepare an annual budget and an annual balance sheet statement, and the budget and balance sheet statement shall be presented to the owners at the regular annual meeting.

## ARTICLE XII

### Meetings of the Owners

1. The regular annual meeting of the Owners shall be held on the third Tuesday in June at the hour of 8:00 p.m. If the date for the annual meeting of the owners shall fall upon a holiday, the meeting will be held at the same hour on the first day following which is not a holiday.

2. Special meetings of the Owners for any purpose may be called at any time by the President, Vice President, Secretary or the Treasurer or by any two (2) or more members of the Board or upon the written request of 25% of the Owners.

3. Notice of any meeting shall be given to the Owners and upon request, to the holder of a first mortgage on any Lot

by the Secretary. Notice may be given to the owner either personally, or by sending a copy of the notice through the mail, postage prepaid, to his address appearing on the books of the Corporation. Each owner shall register his address with the Secretary and notices of meetings shall be mailed to him at such address. Notice of any meeting, regular or special shall be mailed at least seven (7) days in advance of the meeting and shall set forth in general the nature of the business to be transacted, provided, however, that if the business of any meeting shall involve an election of the Board of Directors, or any member thereof, or any action governed by the Articles of Incorporation or by the Declaration, notice of such meeting shall be given or sent as therein provided.

4. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, 10% of the votes of the owners shall constitute a quorum for any action except such actions which, pursuant to the Declaration, the Articles or these Bylaws require approval of a specified percentage of Owners, with respect to which the presence of such percentage of Owners or their proxies shall constitute a quorum. All actions not requiring the approval of a specified percentage of Owners may be taken with the approval of a majority of the Owners voting at any meeting duly called and in which a quorum is present.

#### ARTICLE XIII

##### Proxies

1. At all meetings of Owners each Owner may vote either in person or by proxy.

2. All proxies shall be in writing and filed with the Secretary. No proxy shall extend beyond a period of twelve (12) months and every proxy shall automatically cease upon sale by the owner of his Lot.

#### ARTICLE XIV

##### Books and Papers

1. The Corporation shall have a seal in circular form, having within its circumference the name of the corporation, the words "Corporate Seal", and word "Oklahoma".

2. The books and records of the Corporation shall be subject to inspection by any Owner at any time during ordinary business hours.



## ARTICLE XV

### Amendments

1. These Bylaws may be amended, at a regular or special meeting of the members, by a vote of 75% of the Owners; provided that those provisions of these Bylaws which are governed by the Articles of the Corporation may not be amended except as provided in the Article of Incorporation or applicable law; and provided further, that any matter stated herein to be or which is in fact governed by the Declaration may not be amended except as provided in the Declaration.

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