

BY-LAWS OF
DARLINGTON SOUTH HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND PURPOSE

The name of the Association shall be Darlington South Homeowners Association, Inc. (herein after, "Association".)

The Association is organized and shall be operated exclusively for the charitable purpose of enhancing and protecting of the value, desirability and attractiveness of, and the maintenance, preservation and architectural control of the lots and common areas of Darlington South as well as, educating members in the prevention of residential crime and vandalism, and improving neighborhood and community relationships.

ARTICLE II

BOUNDARIES

The area included in the Association shall be the property described as DARLINGTON SOUTH, an addition to the City of Tulsa being a Subdivision of a part of the E/2 of the NW/4 of Section 22, T-18-N, R-13-E, Tulsa County, Oklahoma, according to the Plat recorded thereof.

ARTICLE III

MEMBERSHIP AND ASSESSMENTS

Section 1. Membership Composition. Every record owner, whether one or more persons or entities, of a fee simple or undivided fee simple interest to any lot situated within Darlington South, including contract sellers, but excluding others having such interest merely as security for the performance of an obligation, which is subject to assessment, shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment.

Section 2. Membership Voting. Members shall be entitled to one vote for each lot owned. When more than one (1) person holds an interest in any lot, the vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any lot. The Association shall have the right to suspend the voting rights of an owner for any period during which any assessment against his lot remains unpaid, and for a period not to exceed 60 days for any infraction of its published rules and regulations.

Section 3. Delegation of Use. An owner may delegate his right of enjoyment to the common areas and facilities to the members of his family, his tenants, or contract purchasers, who reside on the property.

Section 4. Annual Assessments. The maximum annual assessment shall be twenty-five dollars (\$25.00) per lot per quarter, due and payable as directed by the Board of Directors.

- (a) The maximum annual assessment may be increased each year not more than ten percent (10%) above the maximum assessment for the previous year without a vote of the membership.
- (b) The maximum annual assessment may be increased above ten percent (10%) by a vote of two-thirds (2/3) of the members who are voting in person or by proxy, at a meeting duly called for such purpose as set forth in Section 5.

- (c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 5. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association 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, reconstruction, repair or replacement of a capital improvement upon the common area and/or entrance, including fixtures and personal property related thereto, provided that any assessment shall have the assent of two-thirds (2/3) of the votes of the members who are voting in person or by proxy at a meeting duly called for such purpose.

Section 6. Notice and Quorum for Any Action Authorized Under Section 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 7. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all lots and may be collected on a quarterly basis.

Section 8. Due Dates. 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. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by a Director or Officer of the Association setting forth whether the assessments on a specified lot have been paid.

Section 9. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten percent (10%) per annum. The Association may bring an action at law against the owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common area or abandonment of his lot.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. The sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. Exempt Property. All properties dedicated to, and accepted by, a local public authority and all properties owned by a charitable or non-profit organization and which are exempt from taxation by the laws of the State of Oklahoma shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from such assessments.

Section 12. Annual Meeting. There shall be an annual meeting of the membership during the month of September.

Section 13. Regular Meeting. Regular meetings shall be scheduled by the Officers or the Board at least quarterly.

Section 14. Special Meetings. Special meetings may be called by the Board of Directors, the President, a majority vote of the Officers, or fifty-one percent (51%) of members in good standing.

Section 15. Location of Meetings. Meetings shall be held either within the neighborhood, or if no adequate facility is available, within a reasonable traveling distance of the neighborhood.

Section 16. Notice of Meetings. Notice of all meetings shall be written, stating the place, day, hour, and subject of the meeting and may be published in the Association newsletter. The notice shall be delivered not less than five (5) days nor more than twenty (20) days before the date of the meeting either personally or by mail, with exception to the notice requirements listed above in Section 6.

Section 17. Notification of Change of Address. Members no longer residing in Darlington South shall provide the Board of Directors or the Secretary with a current address. Failure to do so shall constitute a waiver of notice and forfeit any voting privileges with the Association. Members conveying their lots to another entity or entities shall notify the Board of Directors or the Secretary in writing, within ten (10) days of conveyance.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. General Power. The affairs of the Association shall be generally managed by its Board of Directors. However, approval of any single expenditure of \$5,000 or more shall require the approval of the majority of members in attendance at a regular or special meeting.

Section 2. Number, Term, and Qualifications. The number of Directors on the Board of Directors shall be nine (9). At the First Annual Meeting of the Association, the election of Directors by a simple majority of members in attendance at the meeting shall be as follows; three (3) Directors for a term of one (1) year, three (3) for a term of two (2) years and three (3) Directors for a term of three (3) years. At each annual meeting thereafter, the Association shall elect three (3) Directors for a term of three (3) years. Vacancies on the Board of Directors shall be filled by the election of a new Director by a simple majority of members in attendance at the next regularly scheduled meeting of membership after the vacancy occurs.

Section 3. Removal. Any Director may be removed by petition signed by the majority of members of the Association or by a two-thirds (2/3) vote of the Board of Directors whenever, in their judgment, the best interest of the Association would be served.

Section 4. Regular Meetings. Regular meetings of the Board of Directors shall be held at least quarterly. At such quarterly meetings, the Board shall review the financial records and Treasurer's report of the Association.

Section 5. Special Meetings. Special Meetings of the Board of Directors may be called by or at the request of the President or any two Board members.

Section 6. Location of Meetings. All meetings shall be held within a reasonable traveling distance of the neighborhood.

Section 7. Notice. Notice of any meeting shall be given at least five (5) days previously thereto by written notice delivered personally or mailed to each Director at his/her home address or by telephone. If mailed, such notice shall be deemed to be delivered when deposited in the mail so addressed, with

postage thereon prepaid. If notice be given by telephone, such notice shall be deemed to be delivered when the call is made. Any Director may waive notice of any meeting. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attended a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 8. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 9. Manner of Acting. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 10. Compensation. Directors shall not receive any payment for their services.

ARTICLE V

OFFICERS

Section 1. General Power. The Association may elect officers to manage the daily activities of the Association.

Section 2. Election and Term. The officers of the Association may be elected annual by a simple majority of the Association members in attendance at the regular annual meeting of the Association. If the election of officers shall not be held at that meeting, the election of officers shall be held as soon thereafter as convenient. New offices may be created and filled at any meeting of the Association members. Each officer shall hold office for a term of (1) year, unless removed, and until his/her successor shall have been duly elected.

Section 3. Number. The officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, each of whom shall be elected by the membership as set forth under Section 2. The membership may elect such other officers or assistant officers, as it shall deem desirable, such officers shall have the authority to perform the duties prescribed from time to time by the Board of Directors. Any two (2) or more offices may be held by the same person except the offices of President and Vice President.

Section 4. Removal. Any officer elected by the membership may be removed by petition signed by the majority of members of the Association or a two-thirds (2/3) vote of the Board of Directors whenever, in their judgment, the best interest of the Association would be served.

Section 5. Vacancies. A vacancy in any office because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 6. President. The President shall be the principal executive officer of the Association and shall in general supervise and control all of the business and affairs of the Association. She/he shall preside at all meetings of the membership and of the Board of Directors, execute any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors or Association members have authorized to be executed.

Section 7. Vice-President. In the absence of the President or in the event of his inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice President in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

Section 8. Secretary. The Secretary shall keep the minutes of the meetings of the members and the Board of Directors in one or more books provided for that purpose, see that all notices are duly given in accordance with the provisions of these by-laws, be custodian of the Association records and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Board of Directors.

Section 9. Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his/her duties in such sum and with such surety or sureties as the Board of Directors shall determine. He/she shall have charge and custody of, and be responsible for all funds and securities of the Association, receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies or other depositories as shall be selected in accordance with the provision of Article VI of these by-laws, and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

ARTICLE VI

CONTRACTS, CHECKS, DEPOSITS AND FUNDS

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these by-laws, to enter into any contract, or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, etc. All checks, drafts, other orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 3. Deposits. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may select.

Section 4. Gifts. The Board of Directors may accept on behalf of the Association any contribution, gift, for bequest for the general purpose or for any special purpose of the Association.

ARTICLE VII

BOOKS AND RECORDS

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors, and shall keep at its registered or principal office a record of giving the names and addresses of the Directors.

ARTICLE VIII

AMENDMENT TO BY-LAWS

These by-laws may be altered, amended, or repealed and new by-laws may be adopted by two-thirds (2/3) of the membership in attendance at any regular or special meeting as long as the meeting notice contained an explanation of the proposed change.

ADOPTED - SEPTEMBER 23, 1996

Jay Cleveland, President.