

BYLAWS
OF
HAMPTON SOUTH HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I.

Name and Location

The name of the corporation is HAMPTON SOUTH HOMEOWNERS' ASSOCIATION, INC. The Principal office of the corporation shall be in the City of Tulsa, Oklahoma, and the mailing address of the corporation shall be P. O. Box 471183, Tulsa, Oklahoma 74147-1183, but meetings of members and directors may be held at such places within Tulsa County, Oklahoma, as may be designated by the Board of Directors.

ARTICLE II.

Definitions

Section 1. "Association" shall mean and refer to HAMPTON SOUTH HOMEOWNERS' ASSOCIATION, INC., as created by the Merger Agreement, its successors and assigns.

Section 2. "Common Area" shall mean all real property owned and maintained by the Association for the common use of the owners consisting primarily of Reserve "A" and "B," Hampton South and Reserve "A," Hampton South II.

Section 3. "Declaration" shall mean and refer to the Deeds of Dedication and Restrictive Covenants of Hampton South and Hampton South II, respectively on file and of record in the office of the County Clerk of Tulsa County, State of Oklahoma.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded map of the subdivision of the Properties with the exception of the common areas.

Section 5. "Member" shall mean and refer to each person entitled to membership as provided in the Declaration.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot which is a part of the Properties, including contract sellers, but excluding those having an interest merely as security for the performance of an obligation.

Section 7. "Properties" shall mean and refer to the following described property:

Reserve Area "A" (Park), Reserve Area "B" (Entry Median Area), and Lots 1 through 16, Block 1; Lots 1 through 28, Block 2; Lots 1 through 26, Block 3; Lots 1 through 6, Block 4; Lots 1 through 30, Block 5; (the single family lots) all within Hampton South, a subdivision in the City of Tulsa, Tulsa, County, Oklahoma, according to the recorded plat thereof (hereafter referred to as "Hampton South"),

and

Reserve Area "A" (Park) and Lots 1 through 46, Block 1; Lots 1 through 39, Block 2; Lots 1 through 29, Block 3, Lots 1 through 6, Block 4; (the single family lots) all within Hampton South II, a subdivision in the City of Tulsa, Tulsa, County, Oklahoma, according to the recorded plat thereof (hereafter referred to as "Hampton South II"),

Section 8. "Subdivision" shall mean and refer to all of Hampton South and Hampton South II, Tulsa County, Oklahoma.

ARTICLE III.

Meeting of Members

Section 1. Annual Meetings. The annual meeting of the members shall be held in the month of November, at a date, time, and place to be set by the Board of Directors.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all the votes of the membership.

Section 3. 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, postage prepaid, or by hand delivery of a copy of the notice, at least 15 days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by the member to the Association for the purpose of notice. The notice of meeting shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting. Such notice may be given by inclusion in a regularly published newsletter of the Association.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Certificate of Incorporation, the Declaration, or these Bylaws. If, however, a quorum shall not be present or represented at any meeting, the members present 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 or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. Proxies shall be in writing and filed with the Secretary. Each proxy shall be revocable and shall automatically cease upon conveyance of the Lot of the member who had given the proxy.

ARTICLE IV.

Board of Directors: Selection: Term of Office

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors, who shall be members in good standing of the Association. The initial Board of Directors shall consist of the Directors

designated by Article VII of the Merger Agreement, who shall serve until the next annual meeting of the membership, or until their successors are elected, and thereafter the Board shall consist of not less than seven (7) nor more than eleven (11) Directors, inclusive of those person elected by the members to be Officers.

Section 2. Term of Office. The term of each director shall be one (1) year from the date of election until the next annual meeting or until his or her successor is elected.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Board of Directors or by the Members of the Association at a special meeting called for that purpose. Failure to attend three regularly scheduled meetings of the Board of Directors during any term shall, at the option of the other Directors constitute cause for removal. In the event of death, resignation or removal of a Director, a successor shall be elected by the remaining members of the Board, and shall serve for the unexpired term of his predecessor. A Director may resign at any time by giving written notice to the Board, the President, or the Secretary. A resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

Section 4. Vacancies. The position of any Director who shall cease to serve before the end of such Director's term may be filled by appointment by the Board. The Director appointed to a vacancy shall be a member in good standing and shall serve for the remainder of the term of the Director replaced.

Section 5. 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, as authorized by the Board of Directors.

Section 6. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of a majority of the

Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors. Directors may also attend meetings and vote approval of an action by telephone conference.

ARTICLE V.

Nomination and Election of Directors & Officers

Section 1. Nomination. Nomination for election of officers and the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more members of the Association. The Nominating Committee shall nominate a president, vice president, secretary, and treasurer, and 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.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot, if requested by any member. At the election each member or his proxy may cast, for each vacancy, as many votes as the member is entitled to cast as set forth within the provisions of the Merger Agreement. The persons receiving the largest number of votes shall be elected. Cumulative voting is prohibited.

ARTICLE VI.

Meetings of Directors

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least quarterly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. If a regularly scheduled meeting should fall upon a legal holiday, then that meeting shall be held at 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 three Directors, after not less than three (3) days' notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. An act or decision of the Board shall require the vote of a majority of the Directors present at a duly held meeting at which a quorum is present.

ARTICLE VII.

Powers and Duties of the Board of Directors

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

- (a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) suspend the good standing and voting rights and right to use of the Common Area and facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association;
- (c) suspend the right to use of the Common Area and facilities after notice and hearing, for a period not to exceed sixty (60) days, for infraction of such published rules and regulations as the Board of Directors may from time to time adopt;
- (d) exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Merger Agreement or Certificate of Merger.
- (e) declare the office of a member of the Board of Directors to be vacant in the event the member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

- (f) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties; and
- (g) exercise for the Association the powers granted in the Declaration to enforce the restrictive covenants stated therein.

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

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at a special meeting when the statement is requested in writing by members having one-fourth (1/4) of the votes of the membership;
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed, and supervise all contracts with independent contractors to see that contractual obligations owed to the Association are fulfilled;
- (c) as more fully provided in the Declarations, to:
 - (1) fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period;
 - (2) provide written notice of assessments to every owner subject thereto at least thirty (30) days in advance of each annual assessment period in such manner as the Board of Directors may determine; and
 - (3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or bring an action at law against the owner personally obligated to pay the same.

- (d) issue, or to authorize an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board of the issuance of a certificate. If a certificate states an assessment has been paid, the certificate shall be conclusive evidence of payment;
- (e) procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) cause the common areas to be maintained;
- (h) approve for filing all reports and returns of the Association as required by any Federal, State or Local government, agency or law; and
- (i) represent the interests of the members of the Association before the Tulsa Metropolitan Planning Commission, the Mayor's Office for Neighborhoods, or any other governmental, planning, or citizen participation groups which may impact the value, desirability and attractiveness of the Properties or the health, safety, and welfare of the residents, owners and tenants of the Subdivision.

ARTICLE VIII.

Officers and Their Duties

Section 1. Enumeration of Officers. The officers of this Association, all of whom shall at all times be members in good standing of the Association, shall be a President, a Vice President, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create. Each Officer so elected shall also serve as a Director.

Section 2. Election of Officers. The election of officers shall take place at the annual meeting of the membership.

Section 3. Term. Each officer of this Association shall be elected annually by the members and each shall hold office for one (1) year unless such officer shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

Section 4. Resignation and Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Board of Directors or by the Members of the Association at a special meeting called for that purpose. Failure to attend three regularly scheduled meetings of the Board of Directors during any term shall, at the option of the other Directors constitute cause for removal. In the event of death, resignation or removal of a Director, a successor shall be elected by the remaining members of the Board, and shall serve for the unexpired term of his predecessor. An officer may resign at any time by giving written notice to the Board, the President, or the Secretary. A resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

Section 5. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to a vacancy shall be a member in good standing. Such appointed Officer shall also serve as a member of the Board of Directors and serve for the remainder of the term of the officer replaced.

Section 6. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices.

Section 7. Duties. The duties of the officers are as follows:

- (a) President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are

carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign any promissory notes.

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

- (c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring the seal, serve notice of meetings of the Board 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.

- (d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association, and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and co-sign all promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by the Board of Directors at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and shall deliver a copy to each of the members. The treasurer shall report at regular meetings to the Board of Directors on the financial condition of the corporation. Prepare or cause to be prepared for approval by the Board of Directors all financial reports or returns of the Association as required by any Federal, State, or Local government, agency or law.

ARTICLE IX.

Committees

The Board of Directors shall appoint a Nominating Committee, as provided in these By-Laws, and shall appoint other committees as deemed appropriate. Each committee shall be headed by a chair who shall be a member of the Board of Directors. The chair of each committee shall report the Committee's activities at regular Directors meetings to the Board of Directors. Committees shall have powers, duties, and authority to take such actions as the Board may delegate except Committees may not exercise any power, duty or authority reserved to the members or to the Board of Directors by the Certificate of Merger or the By Laws.

ARTICLE X.

Books and Records

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Merger Agreement, the Certificate of Merger and the Bylaws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI.

Assessments

Section 1. Creation of the Lien and Personal Obligations of Assessments. As provided in the Declaration covering the Properties, each owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is obligated to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorney fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney fees, shall also be the personal

obligation of the person who was the legal or equitable owner of such property as the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to such owner's successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents who use the Property and for the improvement and maintenance of the facilities thereon situated.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to a member, the maximum annual assessment shall be Seventy-Five Dollars (\$75.00) per Lot.

- (a) From and after January 1 of the year immediately following the conveyance of the first Lot to a member, the maximum annual assessment may be increased each year not more than five percent (5%) above the maximum assessment for the previous year without a vote of the membership.
- (b) From and after January 1 of the year immediately following the conveyance of the first Lot to a member, the maximum annual assessment may be increased above five percent (5%) by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.
- (c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. 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 Properties, including fixtures and personal property related thereto, provided that any such 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 this purpose.

Section 5. Notice and Quorum for any Action Authorized Under Section 3 and 4. Written notice of any meeting for the purpose of taking any action authorized under Sections 3 or 4 shall be sent to all members not less than thirty (30) days nor more than sixty (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 the votes of the membership 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 ($\frac{1}{2}$) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. In the event two-thirds ($\frac{2}{3}$) of the membership do not assent at the time of the meeting, members not present may within thirty (30) days thereafter give assent by delivery of written assent to the Secretary of the Association, and such assents shall be deemed votes cast at the meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate and may be collected on a monthly basis.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments period shall be from September 1 to August 31. the Board of Directors shall fix the amount of assessments against each Lot at least thirty (30) days in advance of each annual assessment period. The omission or failure of the Board of Directors to timely fix the annual assessment shall not be deemed a waiver or release of any member from the obligation to pay the assessment when fixed. Written notice of the annual assessment shall be sent to each member. The due dates shall be established by the Board of Directors of the Association, and the Board may provide for the collection of the annual assessment on a monthly basis.

Section 8. Certificate of Assessment. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a

specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 9. Effect of Non-Payment 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 twelve percent (12%) per annum. The Association may bring an action at law against the member personally obligated to pay the same, or foreclose the lien against the Lot. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Properties or abandonment of the member's 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. Sale or transfer of any Lot shall not affect the assessment lien; provided, however, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such sale or transfer. No sale or transfer shall relieve the Lot from the lien for assessment thereafter becoming due.

Section 11. Exempt Property. The following property subject to the Declaration shall be exempt from the assessments created herein: (1) all properties dedicated to and accepted by a local public authority or conveyed to a public utility, (b) the Properties, so long as it is not used for residential purposes, ©) all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Oklahoma, so long as such properties are not used for residential purposes.

ARTICLE XII.

Mergers and Consolidations

Section 1. Merger or consolidation shall require the assent of two-thirds (2/3) of the members.

Section 2. Merger or consolidation requiring assent of the members shall be considered at a meeting duly called

for such 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. The presence of sixty percent (60%) of the membership required to assent shall constitute a quorum, but in the event two-thirds (2/3) of the members do not assent at the time of the meeting, members not present may within thirty (30) days thereafter deliver written assent to the Secretary of the Association, and such assents shall be deemed votes cast at the meeting in favor of merger, consolidation, or annexation, as the case may be.

ARTICLE XIII.

Corporate Seal

The Association shall have a seal in circular form having within its circumference the words: Hampton South Homeowners' Association, Inc.

ARTICLE XIV.

Amendments

Section 1. These By-Laws may be amended by the Board of Directors or, 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.

Section 2. In the case of any conflict between the Merger Agreement and these By-Laws, the Merger Agreement will control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XV.

Miscellaneous

The fiscal year of the Association shall begin on the first 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.