

BY-LAWS

OF

SURREY HILLS HOME OWNERS ASSOCIATION NO. ONE, INC.

ARTICLE I

Definitions

SECTION 1. "Association" shall mean and refer to SURREY HILLS HOME OWNERS ASSOCIATION NO. ONE, INC., a Non-profit corporation, organized and existing under the laws of the State of Oklahoma.

SECTION 2. The "Property" shall mean and refer to the property described in Article III of recorded Declaration of Covenants and Restrictions for SURREY HILLS, in the office of the County Clerk of Canadian County, Oklahoma.

SECTION 3. All other items and definitions shall be the same as those set forth in recorded Declaration of Covenants and Restrictions for SURREY HILLS, applicable and pertaining to the above described property.

ARTICLE II

Location of Office

SECTION 1. The principal office of the Association shall be located at 10300 Surrey Hills Boulevard, Oklahoma City, Oklahoma (mailing address: Route 2, Yukon, Oklahoma 73099).

ARTICLE III

Membership

SECTION 1. Membership in the Association shall be held and maintained as provided in Article V of the Articles of Incorporation and in these By-Laws.

SECTION 2. The rights of membership are subject to the payment of annual and special assessments levied by the Association, the obligation of which assessments is imposed against each owner of and becomes a lien upon the lot ownership estate against which such assessments are made as provided by Article VII of the Declaration of Covenant and Restrictions to which the property is subject.

SECTION 3. The membership rights of any person may be suspended by action of the Directors during the period when the assessments remain unpaid; but, upon payment of such assessments, his rights and privileges shall be automatically restored. If the Directors have adopted and

published rules and regulations governing the use of the common elements and facilities and the personal conduct of any person thereon, as provided in Article VI, Section 3 hereof, they may, in their discretion, from time to time, suspend the rights of any such person for violation of such rules and regulations for a period not to exceed thirty (30) days for each violation.

ARTICLE IV

VOTING RIGHTS

SECTION 1. Voting rights of the members shall be exercised in person or by written proxy, in accordance with the provisions of the Articles of Incorporation, recorded Declaration of Covenants and Restrictions for SURREY HILLS, and these By-Laws.

ARTICLE V

PROPERTY RIGHTS

SECTION 1. Each member shall be entitled to the use of the common elements and facilities as described in the recorded Declaration of Covenants and Restrictions for SURREY HILLS and plans attached thereto, subject to the provisions of the Articles of Incorporation, recorded Declaration of Covenants and Restrictions for SURREY HILLS and of these By-Laws.

SECTION 2. Any member may delegate his rights in the common elements and facilities to the members of his family who reside upon the property or to any of his tenants who reside thereon. Such member shall notify the Secretary in writing of the name of any such person and of the relationship of the member to such person. The rights and privileges of such person are subject to suspension under Article III, Section 3 hereof, to the same extent as those of the member.

ARTICLE VI

Board of Directors

SECTION 1. A Board of three (3) Directors shall be elected to serve as provided in Article VII of the Articles of Incorporation.

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

SECTION 3. The Board of Directors shall have power:

(a) To call special meetings of the Members whenever it deems necessary and it shall call a meeting at any time upon written request of one-fourth (1/4th) of all of the votes of the entire membership.

(b) To appoint and remove at pleasure all officers, agents, and employees of the Association, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these By-Laws shall be construed to prohibit the employment of any Member, Officer or Director of the Association in any capacity whatsoever.

(c) To establish, levy and assess, and collect the assessments or charges referred to in the Articles of Incorporation and recorded Declaration of Covenants and Restrictions for **SURREY HILLS**

(d) To adopt and publish rules and regulations governing the use of the common elements and facilities and the personal conduct of the Members and their guests thereon.

(e) To exercise for the Association all powers, duties, and authority vested in or delegated to this Association by recorded Declaration of Covenants and Restrictions for **SURREY HILLS** the Articles of Incorporation, the Unit Ownership Estate Act of the State of Oklahoma, or by these By-Laws.

(f) In the event that any member of the Board of Directors of this Association shall be absent from two (2) consecutive regular meetings of the Board of Directors, the Board may, by action taken at the meeting during which said second absence occurs, declare the office of said absent Director to be vacant.

SECTION 4. It shall be the duty of the Board of Directors:

(a) To cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting when such is requested in writing by one-fourth (1/4th) of all of the votes of the entire membership. Such record shall be available for examination by lot mortgagees at any reasonable time.

(b) To provide for the care, upkeep and surveillance of the property.

(c) To supervise all Officers, Agents and employees of this Association, and to see that their duties are properly performed.

(d) As more fully provided in the recorded Declaration of Covenants and Restrictions of **SURREY HILLS** to which the property is subject:

(1) To fix the amount of the assessment against each lot for each assessment period at least thirty (30) days in advance of such date or period, and at the same time;

- (2) To prepare a roster of each lot and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any member or mortgagee, and at the same time;
 - (3) To send written notice of each assessment to every owner and mortgagee entitled thereto.
- (e) To issue, or to cause an appropriate Officer to issue, upon demand by any owner or mortgagee, a certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid.

ARTICLE VII

Directors' Meetings

SECTION 1. A regular meeting of the Board of Directors shall be held on the first Monday of each month, at 5:00 o'clock P.M., provided that the Board of Directors may, by resolution, change the day and hour of holding such regular meeting.

SECTION 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 at the same hour on the first day following which is not a holiday, and no notice thereof need be given.

SECTION 3. Special meetings of the Board of Directors shall be held when called by any Officer of the Association or by any two Directors after not less than three (3) days' notice to each Director.

SECTION 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 at a meeting duly held after regular Call and Notice if a quorum is present and if, either before or after the meeting, each of the Directors not present signs a Waiver of Notice or a consent to the holding of such meeting, or an 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.

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

ARTICLE VIII

Meetings of Members

SECTION 1. The regular annual meeting of the members shall be held on the first Monday in August of each year, at the hour of 4:00

o'clock P.M. If the day for the annual meeting of the members shall fall upon a holiday, the meeting will be held at the same hour on the first day following which is not a holiday.

SECTION 2. Special meetings of the members for any purpose may be called at any time by the President, the Vice-President, the Secretary or Treasurer, or by any two or more members of the Board of Directors, or upon written request of the members who have a right to vote one-fourth of all of the votes of the entire membership.

SECTION 3. Notice of annual and special meetings shall be given in writing to the members by the Secretary. Notice may be given to the member either personally, or by sending a copy of the notice through the mail, postage thereon fully prepaid to his address appearing on the books of the corporation. Each member 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 given or sent at least six (6) 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 any change in the basis or maximum amount of annual assessments set forth in Article VII of the recorded Declaration of Covenants and Restrictions to which the property is subject or any special assessments therein authorized, notice of such meeting shall be given or sent as therein provided.

SECTION 4. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, a majority of votes of the membership in each Class shall constitute a quorum for any action governed by these By-Laws. Any action taken by the membership shall require the percentage of votes specifically set forth in the Articles of Incorporation or by the recorded Declaration of the Covenants and Restrictions or by these By-Laws applicable thereto; otherwise, a majority of the votes of the entire membership shall be sufficient to authorize such action.

ARTICLE IX

Officers

SECTION 1. The officers shall be a President, a First Vice-President, a Secretary, a Treasurer, and such additional Vice-Presidents, Assistant Secretaries and Assistant Treasurers as the Board of Directors may, in their discretion, deem advisable. The President and the First Vice-President shall be members of the Board of Directors.

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

SECTION 3. All Officers shall hold office during the pleasure of the Board of Directors.

SECTION 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, checks, leases, mortgages, deeds and all other written instruments.

SECTION 5. The First Vice-President or any other Vice-President shall perform all the duties of the President in his absence.

SECTION 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 the purpose. He shall sign all certificates of membership. He shall keep the records of the Association. He shall record in a book kept for that purpose the names of all members of the Association, together with their addresses, as registered by such members (See Article VIII, Section 3).

SECTION 7. 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, 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 Board. The Treasurer shall sign all checks of the Association, provided that such checks and notes shall also be co-signed by the President or the First Vice-President.

SECTION 8. The Treasurer shall keep proper books of account and cause an annual audit of the Association 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 membership at its regular annual meeting.

ARTICLE X

Books and Papers

SECTION 1. The Books, records and papers of the Association shall at all times, during reasonable business hours, be subject to the inspection by any members or mortgagees.

ARTICLE XI

Proxies

SECTION 1. At all corporate meetings of members, each member may vote in person or by proxy.

SECTION 2. All proxies shall be in writing and filed with the Secretary. No proxy shall extend beyond a period of eleven (11) months, and every proxy shall automatically cease upon sale by the member of his ownership in the property.

ARTICLE XII

Corporate Seal

SECTION 1. The Association shall have a seal in circular form having within its circumference the words: "SURREY HILLS HOME OWNERS ASSOCIATION NO. ONE, INC." CORPORATE SEAL.

ARTICLE XIII

Amendments

SECTION 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of members of at least two-thirds of the voting rights, present in person or by proxy, provided that those provisions of these By-Laws which are governed by the Articles of Incorporation of this Association may not be amended except as provided in the Articles of Incorporation or applicable law; and, provided further that any matter stated herein to be or which is in fact governed by the recorded Declaration of Covenants and Restrictions applicable to the property may not be amended except as provided in such Declaration of Covenants and Restrictions.

SECTION 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the recorded Declaration of Covenants and Restrictions applicable to the property and these By-Laws, the recorded Declaration of Covenants and Restrictions shall control.

IN WITNESS WHEREOF, we, being all of the Directors of SURREY HILLS HOME OWNERS ASSOCIATION NO. ONE, INC., have hereunto set their hands this _____ day of _____, 1974.

