

WILDFIRE ESTATES

Home Owners Association By-Laws

The name of the organization shall be Wildfire Estates Home Owners Association.

Article 1

Purpose and Parties

1. **Governance of Regime:** The purpose for which this non-profit association is formed is to govern the planned real estate development known as Wildfire Estates, hereinafter referred to as Project, situated in Cleveland County, Oklahoma, which property is described in the declaration of Home Owners Association and attachments. All definitions contained in said Declaration shall apply hereto and incorporated herein by reference.
2. **Owners Subject to These By-laws: Acceptance of By-laws;** All present or future owners, tenants, future tenants of any unit, or any other person who might use in any manner the facilities of the project are subject to the provisions and any regulations set forth in the By-laws. The mere acquisition, lease or rental of any unit or the mere act of occupancy of a unit will signify that these By-laws are accepted, approved, ratified, and will be complied with.

Article 2

Membership, Voting, Majority of Co-Owners (*Owners*), Quorum, & Proxies

1. **Membership:** Except as is otherwise provided in the By-laws, ownership of a unit is required in order to qualify for membership in this Association. Any person, on becoming an owner of a unit, shall mandatorily and automatically become a member of this Association and shall be subject to the By-laws. Such membership shall terminate without any formal Association action whenever such p1erson ceases to own a unit, but such termination shall not relieve or release any such former owner from any liability or obligation incurred or in any way connected with this Association during the period of such ownership and membership in this Association or impair any rights or remedies which the owners have, either through the Board of Directors of the Association or directly, against such former owner and member arising out of or in any way connected with ownership and membership and the covenants and obligations incident thereto.
2. **Voting:** Voting shall be set forth in the Declaration and any amendments thereto.
3. **Quorum:** Except as otherwise provided in these By-laws, the presence in person or by proxy of owners representing fifty percent (50%) of the units shall constitute a quorum. In the event a quorum is not present, then the meeting shall be adjourned, and notice of a new meeting for the same purposes within two (2) to four (4) weeks shall be sent by mail, at which meeting the number of owners represented in person or by proxy shall be sufficient to constitute a quorum. An affirmative vote of a majority of the unit owners either in person or by proxy shall be required to transact the business of the meeting.

4. **Proxies:** Votes may be cast in person or by written proxy. Proxies must be filed with the Secretary or Assistant Secretary of the Association before the appointed time of the meeting.

Article 3

Administration

1. **Association Responsibilities:** The Home Owners Association hereinafter referred to as Association, will have the responsibility of administering the project through a Board of Directors, and Well Committee. All matters other than those pertaining to use and operation of wells shall be the responsibility of the entire Association by and through the Board of Directors. All owners connected to a common well shall govern all well maintenance and operation matters through an elected committee and in connection therewith, shall have the right accorded to the Association herein.
2. **Place of Meeting:** Meetings of the Association shall be held at such suitable place, convenient to the owners, as the Board of Directors may determine.
3. **Annual Meetings:** The first meeting of the Association shall be held no later than sixty (60) days after seventy-five percent (75%) of the units are sold and closed. Thereafter, the annual meetings of the Association shall be held on the first Monday in the month of June of each succeeding year. At such meetings, there shall be elected by ballot of the owners a Board of Directors, in accordance with the requirements of these By-laws. The owners may also transact such other business of the Association as may properly come before them.
4. **Special Meetings:** It shall be the duty of the President to call special meetings of the owners as directed by the majority in voting interest of the owners having been presented to the Secretary or Assistant Secretary of the Association. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business except as stated in the notice shall be transacted at a special meeting unless by consent of two-thirds (2/3rds) in interest of the owners present, either in person or by proxy. Any such meetings shall be held after the first annual meeting and shall be held within thirty (30) days after receipt by the President of such resolution or petition.
5. **Notice of Meetings:** It shall be the duty of the Secretary or Assistant Secretary of the Association to mail a notice of each meeting, stating the purpose thereof as well as the time and place it is to be held, to each owner of record and to first mortgagees of record, which shall be entitled to send a representative to attend such meeting, at least ten (10) days but not more than thirty (30) days prior to such meeting. The mailing of notice in the manner provided in this paragraph shall be considered notice served. Provided, however, notice to first mortgagees shall be required only in the event that action to foreclose on any assessment lien shall be contemplated.
6. **Adjourned Meetings:** If any meeting of owners cannot be organized because a quorum had not attended, the owners who are present, either in person or by proxy, may adjourn the meeting to a certain time, at which adjourned meeting any owners present shall constitute a quorum.

7. **Order of Business:** The order of business at all meetings of the owners shall be as follows:
- a. Roll call and certifying proxies
 - b. Proof of notice of meeting or waiver of notice
 - c. Reading and disposal of unapproved minutes
 - d. Reports of officers
 - e. Reports of Committees
 - f. Election of directors , as applicable
 - g. Unfinished business
 - h. New business; and
 - i. Adjournment
 - j. Roberts Rules of Order shall govern in the event of any disputes concerning procedure

Article 4

Board of Directors and Committees

1. **Number, Qualification and Appointment or Election:** Until the first annual meeting of the association, the affairs of the Association shall be governed by a Board of Directors consisting of five (5) persons appointed by Declarant. At such first meeting, there shall be elected five (5) members of the Association of the Board of Directors, all of whom must be unit owners and who shall thereafter govern the affairs of this Association until their successors have been duly elected and qualified. All persons, successors have been duly elected and qualified. All persons connected to a common well shall govern the operation and maintenance of their particular well. A Director and Committee member may be one and the same person.
2. **General Powers and Duties:** The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance all such acts and things except as prohibited by law or these By-laws or by the Declaration. The Well Committees (hereinafter called Committee) shall have like powers and duties in connection with well operation and maintenance.
3. **Other Powers and Duties:** Such powers and duties of the Board of Directors and Committees shall include, but shall not be limited to, the following, all of which shall be done for and on behalf of the owners of the project.
 - a. **Administration:** To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Declaration, the By-laws of the Association, and supplements and amendments thereto.
 - b. **Rules:** To establish, make and enforce compliance with such reasonable rules as may be necessary for the operation, use and occupancy of the project with the right to amend same from time to time. A copy of such rules and regulations shall be delivered or mailed to each owner within five (5) days following the adoption thereof.

- c. **Maintenance of Common Elements:** To keep in good order, condition and repair all of the common roads insofar as the Board of Directors are concerned and the wells insofar as the Committees are concerned.
- d. **Budget; Determination of Assessments; Increases or Decrease Same; Levy of Special Assessments:** To prepare a budget for the project, at least annually, and determine the amount of common charges, payable by the owners to meet the common expenses of the project. To allocate and assess such common charges among the owners according to their respective common ownership interest in and to the common elements, and by a majority vote of the Board or Committee to adjust, decrease or increase the amount of the early or monthly assessments. An remit or return any excess of assessments over expenses, working capital, sinking funds, reserve for deferred maintenance and for replacement to the owners at the end of each operating year. To levy and collect special assessments, whenever, in the opinion of the Board or Committee, it is necessary to do so in order to meet increase operating or maintenance expenses or cost, or additional capital expenses or because of emergencies.
- e. **Enforcement of Assessment Lien Rights:** To collect delinquent assessments by suits or otherwise and to enjoin or seek damages from an owner who may be in default as is provided for in the Declaration and these By-laws. To enforce a per Diem late charge to be set by the Board of Directors or Committee, said late charge to be initially the sum of Five Dollars (\$5.00), and to collect interest at the rate to be set by the Board or Committee, said interest to be initially the rate of ten percent (10%) per annum in connection with assessments remaining unpaid more annum in connection with assessments remaining unpaid more that fifteen (15) days from due date, and to collect all expenses, including attorney's fees incurred. The Well Committees shall be empowered to take action either individually or through the Board of Directors or jointly with the Board of Directors.
- f. **Protect and Defend:** To protect and defend the entire common premises from loss and damage by suit or otherwise.
- g. **Contract:** To enter into contracts within the scope of their duties and powers
- h. **Bank Account:** To establish bank account or accounts for the common treasury and for all separate funds which are required or may be deemed advisable by the Board of Directors or Committee.
- i. **Manage:** To make repairs, additions, alterations and improvements to the general common elements consistent with managing the project in a first class manner and consistent with the best interest of the unit owners.
- j. **Books and Records:** To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof by each of the owners and each first mortgages, and to cause a complete audit of the books and accounts by auditors once a year, if requested by any home owner.
- k. **Annual Statement:** To prepare and deliver annually to each owner a statement showing receipts, expenses and disbursements since the last such statements.

- l. **Meetings:** To meet at least once each quarter, provided, that any Board of Directors of Committee meeting may be attended and conducted by telephone or other device which permits all of the Directors or members in attendance to participate in such meeting, and provided, further, that any action required to be taken at such meeting, setting forth the action so taken, shall be signed by all of the members of the Board of Committee.
- m. **No waiver of Rights:** The omission or failure of the Association or any owner to enforce the covenants, conditions, restrictions, easements, use limitations, obligations or other provisions of the Declaration, the By-laws or the regulations and house rules adopted pursuant thereto, shall not constitute or be deemed a waiver, modification or release thereof, and the Board of Directors or the managing Agent or Committee shall have the right to enforce the same thereafter.
- n. **Election and Term of Office; Staggered Office:** At the first annual meeting of the Association and well owners, the term of office of the Directors and Committees shall be fixed at one (1) year. At the expiration of the initial term of office of each respective Director or Committee member, his/her successor shall be elected to serve a term of one (1) year. The Directors and Committee members shall hold office until their successors have been elected and hold their first meeting.
- o. **Vacancies in Board or Committee:** Vacancies in the Board of Directors or Committees caused by any reason other than the removal of a Director by a vote of the Association or a committee member by all owners connected to a common well shall be filled by vote of the majority of the remaining Directors or Committee even though they may constitute less than a quorum; and each person so elected shall be a Director or member until a successor is elected at the next annual meeting of the Association.
- p. **Removal of Directors or Committee Members:** At any regular or special meeting duly called, any one or more of the Directors or Committee may be removed with or without cause by two-thirds (2/3rds) of the owners, and a successor may then and there be elected to fill the vacancy thus created. Any Director or Committee member whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting. Should any Director or member miss three (3) consecutive regular meetings of the Board of Directors or Committee, he/she shall be automatically removed from the office and a successor selected and approved by the Board or Committee to fill his unexpired term.
- q. **Directors' and Committees' Organizational Meeting:** The first meeting of a newly Board of Directors and Committee shall be held within ten (10) days following the annual meeting, at such place as shall be fixed by the Directors of Committee at the annual meeting. No notice shall be necessary to the newly elected Directors or Committee members in order to legally constitute such meeting, providing a majority of the whole Board of Committee shall be present.
- r. **Directors' and Committees' Regular Meetings:** Regular meetings of the Board of Directors and Committees may be held at such time and place as shall be determined from time to time by a majority of the Directors or Committee members, but at

least one such meeting shall be held during each calendar quarter. Notice of regular meetings of the Board of Committee shall be given to each Director or member, personally or by mail, telephone or telegraph, at least five (5) days prior to the day named for such meeting.

- s. **Waiver of Notice:** Before or at any meeting of the Board of Directors or Committee, any Director or member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance at any meeting shall be a waiver of notice of the time and place thereof. If all the Directors or members are present at said meeting, no notice shall be required and any business may be transacted at such meeting.
- t. **Quorum:** At all meetings, a majority of the Directors or Committee members shall constitute a quorum for the transaction of business, and the acts of the majority of those present at a meeting at which a quorum is present shall be the acts of the Board or Committee. If, at a meeting of the Board of Directors or Committee, there be less than a quorum present, the majority of those present may adjourn the meeting to a specified time and place. At any such adjourned meeting any number of Directors or members present shall constitute a quorum and any business which might have been transacted at the meeting as original called may be transacted without further notice.

Article 5

Fiscal Management

The provision for fiscal management of the units for and on behalf of all of the unit owners as set forth in the Declaration shall be supplemented by the following provisions:

- 1. **Fiscal Year:** The fiscal year of the Association and Committees shall be fixed by resolution of the Board of Directors
- 2. **Accounts:** The funds and expenditures of the unit owners shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses.
 - a. Current expenses, which shall include all funds and expenditures within the year for which the funds are budgeted, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves and to additional improvements.
 - b. Reserves for deferred maintenance, which shall include funds for maintenance items which occur less frequently than annually.
 - c. Reserves for replacement (sinking funds), which shall include funds for maintenance items which occur less frequently than annually.
 - d. Capital improvements, which shall include funds for construction of new improvements for which reserves for replacement have not been established.

Article 6

Officers

1. **Designation:** The officers of the Association shall be President, Vice President, Secretary and Treasurer, all of who shall be elected by the Board of Directors, and such assistant officers as the Board shall from time to time elect. Such assistant shall be an owner of a unit or the Declarant or his/her representative(s), Officers of the Committees shall be a Chairman, Vice Chairman and Secretary/Treasurer.
2. **Election of Officers:** The officers of the Association and each Committee shall be elected annually by the Board of Directors and Committee at the organizational meeting of each new Board and Committee and shall hold office subject to the continuing approval of the Board and Committee.
3. **Removal of Officers:** Upon an affirmative vote of a majority of the members of the Board of Directors or Committee, an officer may have his/her office removed either with or without cause, and his/her successor elected at any regular meeting of the Board of Directors or Committee, or at any special meeting called for such purpose. Members of the Board or Committee may only be removed by a vote of the owners as provided elsewhere in the By-laws.
4. **President and Chairman:** The President and Chairman shall be the chief executive officers of the Association or Committee. He or she, as the case may be, shall preside at all meetings unless absent. He or she shall have all of the general powers and duties which are usually vested in the office of President of an association, including but not limited to the power to appoint committees from among the owners from time to time as he/she may, in his/her discretion, decide are appropriate to assist in the operation of the common business or as may be established by the Board or Committee, or by the members of the Association at any regular or special meeting.
5. **Vice President or Vice Chairman:** The Vice President or Vice Chairman shall have all the powers and authority and perform all the functions and duties of the President or Chairman in his/her absence or his/her inability for any reason to exercise such powers and functions or perform such duties, and also perform any duties he/she is directed to perform by the President or Chairman.
6. **Secretary:** The Secretary shall keep all the minutes of the meetings and have charge of such books and papers as the Board of Directors or Committee may direct; and shall, in general, perform all the duties incident to the office of the Secretary and as is provided in the Declaration and the By-laws. The Secretary shall compile and keep up to date at the principal office of the Association a complete list of members and their last known address as shown on the records of the Association. Such list shall also reflect opposite each member's name the number or other appropriate designation of the unit owned by such member, the undivided interest in the general common elements and a description of the limited common elements assigned for exclusive use in connection with such unit. Such list shall be open to inspection by members and other persons lawfully entitled to inspect the same at reasonable times during regular business hours.
7. **Treasurer:** The Treasurer shall have responsibility for Association or Committee funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the common body. He/she shall be responsible for the deposit of all monies and

other valuable effects in the name, and to the credit, of the body in such depositories as may from time to time be designated by the Board of Directors or Committee.

Article 7

Indemnification of Officers, Directors and Managing Agent

1. **Indemnification:** The Association shall indemnify through insurance or other means, every Director, Officer, Managing Agent, Committee member, their respective successors, personal representatives and heirs, against all loss, costs and expenses, including counsel fees, reasonable incurred by him/her in connection with any action, suit or proceedings to which he/she may be made a party by reason of his/her being or having been a Director, Officer, Managing Agent, or Committee member of the Association, except as to matters as to which he/she shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the matter involved. The foregoing rights shall not be exclusive of other rights to which such Director, Officers, Managing Agent or Committee member maybe entitled. All liability, loss, damage, cost and expense incurred or suffered by the Association or Committee by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association or Committee as common expenses; provide, however, that nothing in the Article 7 shall be deemed to obligate the Association or Committee to indemnify any member or owner of a unit who is or has been a Director or Officer of the Association with respect to any duties or obligations assumed or liability incurred by him/her under and by virtue of the Declaration.
2. **No Personal Liability:** Contracts or other commitments made by the Board of Directors, Officers, Managing Agent or Committee member shall be made as agent for the owners, and they shall have no personal responsibility on such contract or commitment (except as owners).

Article 8

Amendments to By-Laws

1. **Amendments to By-laws:** These By-laws may be amended in writing by the Association at a duly consulted meeting called for such purpose or in any regular meeting so long as the notice of such meeting sets for the complete text of the proposed amendment. No amendment shall be effective unless approved by an eighty percent (80%) vote of the unit owners and unless duly recorded.

Article 9

Evidence of Ownership, Registration of Mailing Address and Designation of Voting Representative

1. **Proof of Ownership:** Except for those owners who initially purchase a unit from Declarant, any person, on becoming an owner of a unit, shall furnish to the Managing Agent or Board of Directors a true and correct copy of the original or a certified copy of the recorded instrument vesting that person with an interest or ownership in the unit, which copy shall remain in the files

of the Association. The owner shall also provide a copy of the first mortgage, including mortgagee's name and address. The Association shall not otherwise be required to search any record to ascertain such information for the purpose of giving notice of mortgagee's as require therein.

2. **Registration of Mailing Address:** The owner, or several owners, of an individual unit shall have one and the same registered mailing address to be used by the Association and Committee for mailing of monthly statements, notices, demands and all other communications, and such registered address shall be the only mailing address of a person(s), firm, corporation, partnership, association or other legal entity or any combination thereof to be used by the Association. Such registered address of an owner or owners shall be furnished by such owner(s) to the Managing Agent or Board of Directors within fifteen (15) days after transfer of title, or after a change of address, and such registration shall be in written form and signed by all of the owners of the unit or such as are authorized by law to represent the interest of the owner(s) thereof.
3. **Designation of Voting Representative – Proxy:** If a unit is owned by one person, his/her right to vote shall be established by the record title thereto. If title to a unit is held by more than one person, other than husband and wife, or by a firm, corporation, partnership, association, or other legal entity, or any combination thereof, such owners shall execute a proxy appointing and authorizing one (1) person, or alternate persons, to attend all annual and special meetings of members and thereat to cast whatever vote the owner himself/herself might cast if he/she were personally present. Such proxy shall be effective and remain in force unless voluntarily revoked, amended, or sooner terminated by operation of law; provided, however, that within thirty (30) days after such revocation, amendment or termination, the owners shall reappoint and authorize one person, or alternate persons, to attend all annual and special meetings as provided by this paragraph. The requirements herein contained in the Article shall be first met before an owner of a unit shall be deemed in good standing and entitled to vote at an annual or special meeting or members.

Article 10

Obligations of the Owners

1. **Assessments:** All owners shall be obligated to pay the assessments imposed by the Association or Committee to meet the common expenses. The amount of such assessments may be altered in accordance with the Declaration. A member, Officer or Director shall be deemed to be in good standing and entitled to vote at any annual or special meeting of members or Directors within the meaning of these By-laws if, and only if, he/she shall have fully paid all assessments made or levied against him/her and the unit or units owned by him/her, and is not in violation of any rule or regulation of the Association then in force.
2. **General:** Each owner shall comply strictly with the provisions of the recorded Declaration and these By-laws and amendments thereto. Each owner shall always endeavor to observe and promote the cooperative purposes for the accomplishment of which this project was built. All units shall be utilized only for residential purpose except as is otherwise provided in the Declaration and Plans.

3. **Rules and Regulations:** The Board of Directors, pursuant to Article 4 of these By-laws, reserves the power to establish, make and enforce compliance with such additional rules as may be necessary for the operation, use and occupancy of this project with the right to amend same from time to time. Copies of such rules and regulations shall be furnished to each owner prior to the date when the same shall become effective.

Article 11

Abatement and Enjoinment of Violations by Owners

1. **Abatement and Enjoinment:** The violation of any rule or regulation accepted by the Board of Directors, or the breach of any By-laws, or the breach of any provision of the Declaration, shall give the Board of Directors, Committee or the Managing Agent the right, in addition to any other rights set forth therein, to enter the unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting unit owner, any person, structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions thereof, and the Board of Directors, Committee or Managing Agent shall not be deemed guilty in any manner of trespass, and to expel, remove and put out, using such force as may be necessary in so doing, without being liable to prosecution or any damages therefore; and to enjoin, abate, or remedy, by appropriate legal proceedings, either at law or in equity, the continuance of any breach.

Article 12

Committees

1. **Designation:** The Board of Directors may, but shall not be required to, appoint an Executive Committee, and it may designate and appoint members to standing committees or special committees for any useful or worthwhile purposes to function in an advisory capacity of the Board of Directors. The board may establish rules for the conduct of these committees, as follow, and may delegate responsibility to said committees.
2. **Executive Committee:** The Executive Committee shall consist of two (2) persons who shall be appointed by the Board of Directors from the members of the Board. One member shall be the President. The Executive Committee shall supervise the affairs of the Association and shall regulate its internal economy, approve expenditures and commitments, act and carry out the established policies of the regular meetings monthly or as it may, in its discretion, determine. Special meetings may be called at any time by the Chairman of the Committee or by any of its members, either in person or by mail, telephone or telegraphy, and a special meeting may be held by telephone.
3. **Nominating Committee:** Before each annual meeting, the Board of Directors may appoint a committee of three (3) members who shall nominate candidates for the Board. The names of the candidates shall be submitted on or before thirty (30) days before the election. Members may submit names of candidates other than those submitted by the Nominating Committee at

least thirty (30) days prior to the election. Unless such names are submitted, either by the Nominating Committee or by the members, no person shall be elected whose name is not so submitted unless no nominations are made, in which event the names of candidates shall be submitted at the election by the members.

4. **Building Committee:** Following the first and each subsequent annual meeting, the Board of Directors shall appoint five (5) members to comprise the Building Committee referred to in Part 2 of the Declarations. Said Committee shall serve for one (1) year, and until the next committee is appointed. The Committee may comprise the same persons as the Board of Directors and shall take all action necessary to insure compliance with the restrictive covenants pertaining to construction of improvements and to further insure harmony in the development.

Article 13

Miscellaneous

1. **Conflict in Documents:** In the event that any inconsistency or conflict exist between the items of the Declaration, these By-laws, or any rule or regulation then in force, the inconsistency or conflict shall, in every instance, be controlled by the Declaration.
2. **Conflict between Owners:** In the event that any dispute between owners arises involving any of the common elements, amenities or any other matters concerning the project and the conflict cannot be resolved by the Managing Agent, it shall be resolved by the Board of Directors or Committee.
3. **Due Process:** In order to afford due process to each owner before any punitive action may be finally imposed by the Board of Directors or Committee, each owner shall have the right, after receiving notice of the Board's or Committee's intended imposition of a fine or other punitive action, of not less than ten (10) days written notice served upon the owner as provided by civil process in the State of Oklahoma, a hearing before the Board of Directors or Committee shall then be available to any owner to present evidence for the purpose of avoiding or mitigating any penalty or punitive action at which hearing both the Association or owners connected to common wells and the owner may produce evidence and present witnesses. The Board of Directors or Committee shall promptly resolve the dispute and announce its decision, which in such instance shall be final as to all manners.

Executed this _____ day of _____, 1984, by the Association, being all the members of Wildfire Estates Home Owners Association, as reflected in the signatures to the Declaration of Home Owners Association to which these By-laws are attached and incorporated.

Wildfire Estates, Inc.