

BY-LAWS OF BURNING TREE MASTER ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is BURNING TREE MASTER ASSOCIATION, INC., referred to in these bylaws as the Association. The principal office of the corporation shall be located at _____, Tulsa, Oklahoma. The meetings of the members and board of directors shall be held at such places within the State of Oklahoma, County of Tulsa, as may be designated by the board of directors.

ARTICLE II

DEFINITIONS

1. "Association" shall mean and refer to Burning Tree Master Association, Inc., its successors and assigns.
2. "Articles" shall mean and refer to the Articles of Incorporation of the corporation.
3. "Properties" shall mean and refer to the following described real property situated in Tulsa County, State of Oklahoma:

The Northwest Quarter (NW/4) of Section 1, Township 18 North, Range 13 East of the Indian Base and Meridian;

The Northwest Quarter (NW/4) of the Southeast Quarter (SE/4) of Section 1, Township 18 North, Range 13 East of the Indian Base and Meridian; and

The East Half (E/2) of the East Half (E/2) of the East Half (E/2) of the Northeast Quarter (NE/4) of the Southwest Quarter (SW/4) of Section 1, Township 18 North, Range 13 East of the Indian Base and Meridian, in the City of Tulsa, County of Tulsa, State of Oklahoma.

4. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the members of the Association.
5. "Common Facilities" shall mean all recreational and social facilities owned and operated by the Association for the common use and enjoyment of the members of the Association.
6. "Declarant" is Sixty-First and Memorial Development Corporation, an Oklahoma corporation, its designated successors or assigns if designated declarant for these purposes by Sixty-First and Memorial Development Corporation in a duly recorded written instrument.
7. "Declaration" shall mean and refer to the certificate or certificates of dedication applicable to the properties recorded in the Office of the County Clerk of Tulsa County, Oklahoma.
8. "Lot" shall mean and refer to any separately numbered plot of land shown upon any recorded subdivision plat of the properties with the exception of the common areas owned by or dedicated to this corporation.
9. "Parcel" shall mean and refer to any separately numbered or designated tract of land not subdivided into lots but shown on the plat of the properties. "Lot" and "Parcel" shall not refer to any of the common areas owned by

or dedicated to this corporation, the public or any political subdivision in the United States of America or the State of Oklahoma or any commercial or office areas.

For purposes of these bylaws, any lot or parcel upon which a multi-family structure is permitted and completed shall no longer be defined as a lot from the time a living unit is first sold or leased and continuing as long as a multi-family structure remains on that lot or parcel.

10. "Living Unit" shall mean and refer to any portion of a multi-family structure situated on the properties designed and intended for the use and occupancy as a residence by a single family.

11. "Multi-family Structure" shall mean and refer to any building designed and intended for use and occupancy as a residence by two or more families under one roof.

12. "Members" shall mean and refer to those persons or entities entitled to hold membership in the Association as provided in the Declaration and set forth in these bylaws.

13. "Owner" shall mean and refer to the record owner, whether one or more persons or entities of a fee simple title to any lot or living unit situated upon the property and which is subject by covenants of record to assessment by the Association, including contract sellers but excluding those having such interest merely as security for the performance of an obligation.

ARTICLE III

MEMBERSHIP

Every Burning Tree Area Owners Association *approved by Declarant* shall be a member of the corporation. Membership in Burning Tree Area Owners Association shall entitle the members of those Associations to the right and use of enjoyment of the common areas and common facilities of the Association.

ARTICLE IV

PROPERTY RIGHTS

Each owner shall be entitled to the use and enjoyment of the common area and facilities as provided in the Declaration. Any owner may delegate his rights of enjoyment of the common areas and facilities to members of his family, his tenants or contract purchasers who reside on the property. Each member shall notify the secretary of the corporation in writing of the name of any such delegatee. The rights and privileges of such delegatee are subject to suspension to the same extent as those of the member. Each owner's right and easement of enjoyment in and to the common area and the common facilities shall be appurtenant to and shall pass with title to every lot or parcel to the following provisions:

- (1) The right of the Association to limit the number of guests of members;
- (2) The right of the Association to charge reasonable admission and other fees for the use of *any* common facilities situated upon the common areas;
- (3) The right of the Association in accordance with its Articles and Bylaws to borrow money for the purpose of improving the common area and facilities and in aid thereof to mortgage the same. The rights of the Association, however, shall be subordinate to the right of any mortgages made in good faith and for value prior to such mortgage by the Association;

(4) The right of the Association to suspend voting rights and the right to use of the recreational facilities of any owner for any period during which any assessment against his lot or parcel remains unpaid;

(5) The right of the Association upon the assent of two-thirds (2/3) of the members to dedicate, sell, or transfer all or any part of the common areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members; and

(6) The right of the Association to allow the limited use of the common areas and common facilities by the tenants of office and commercial lots and parcels to charge reasonable fees for such use.

ARTICLE V

MEETINGS OF MEMBERS

1. The first annual meeting of the members shall be on the ____ day of _____, 1976, and each subsequent annual meeting of the members shall be held on the same day of the same month each year thereafter at 7:30 p.m. If the day for the annual meeting of the members is a legal holiday, then the meeting will be held at the same hour on the first day following which is not a legal holiday. The board of directors, by resolution, shall fix a date for the meeting no more than thirty (30) days before or after that date.

2. Special meetings of the members may be called at any time by the president or by the board of directors. A special meeting shall be called upon written request of twenty-five (25) of the members who are entitled to vote.

3. 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 a copy of such notice, postage prepaid, at least ten (10) days before the meeting to each member entitled to vote addressed to the member's last address appearing on the books of the Association or supplied by such member to the Association for the purpose of notice. The notice shall specify the place, day, hour and agenda of the meeting and in case of a special meeting, the purpose of the meeting.

4. The presence at the meeting of members entitled to vote or of proxies entitled to vote of one-half (1/2) of all the votes shall constitute a quorum for any action except as otherwise provided in these bylaws, the Declaration, or the Articles. If such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting until a quorum shall be present or represented. The meeting may be adjourned to a date not less than forty-eight hours, no more than thirty (30) days after the original meeting date. At such reconvened meeting, the presence of members entitled to cast at least twenty-five percent (25%) of all the votes in person or by proxy shall constitute a quorum. A meeting may only be reconvened once. Thereafter, a new meeting must be called and the original quorum requirements shall be applicable.

5. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary prior to the beginning of any meeting where the proxy is to be exercised. Every proxy shall be revocable.

6. Wherever the Articles require the assent of the members, the assent shall be obtained at a meeting called for the purpose, pursuant to the notice, quorum and adjournment requirements applicable. In the event that a quorum is present but the required majority of each class of members is not present in person or by proxy, the members not present may thereafter give their written assent to the action taken.

ARTICLE VI

BOARD OF DIRECTORS

1. The affairs of the Association shall be managed by a board of directors who need not be members of the corporation. *The number of elected to serve until the first annual meeting and until their successors are elected and qualified shall be five (5) directors, but in no case shall there be fewer than three (3). Thereafter, the number of directors shall be determined by the members present at each annual meeting. Each member may elect two (2) directors.* To the extent directorships remain unfilled after each member has elected two directors, any such vacancy shall be filled by directors elected by majority vote of all the members.
2. Directors shall serve for a term of one (1) year and election to the board may be by secret written ballot. Any or all members of the board may be removed from office with or without cause by majority vote of all the members of the corporation.. *In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the board and shall serve the unexpired term of his predecessor.*
3. No director shall receive compensation for any service he may render to the corporation; however, any director may be reimbursed for his actual expenses incurred in the performance of his duties.
4. Directors shall be elected by the members (subdivisions HOAs). Each member may elect two (2) directors to represent it on the board of directors of the corporation. The board of directors may appoint a Nominating Committee which shall make as many nominations for election to the board, in addition to those elected by the individual members, as it shall in its discretion determine.

ARTICLE VII

MEETINGS OF DIRECTORS

1. Regular meetings of the board shall be held monthly without notice at such place and hour as may be fixed from time to time by resolution of the board.
2. Special meetings of the board shall be held when called by the president of the corporation, or by any two (2) directors, after not less than three (3) days' notice to each director.
3. A majority of the directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the board.
4. 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 all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

1. 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 therein, and to establish penalties for the infraction thereof.
 - (b) determine a reasonable admission fee or charge for the use of recreational facilities situated upon the common area;

(c) 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 Bylaws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the board of directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the board of directors; and

(e) employ a manager, an independent contractor and such other employees as they deem necessary, and to prescribe their duties and compensation.

2. 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 any special meeting, when such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided herein, and in the Declaration,

(1) fix the amt of the annual assessment against each lot and living unit at least thirty (30) days in advance of each annual assessment period, as hereinafter provided in Article XI, and

(2) send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period;

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid, such certificate shall be conclusive evidence of such 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; and

(g) cause the common areas to be maintained.

ARTICLE IX

OFFICERS AND THEIR DUTIES

1. The officers of this Association shall be a president, a vice president, a secretary, and a treasurer, who shall at all times be members of the board of directors, and such other officers as the board may from time to time by resolution create.

2. The election of officers shall take place at the first meeting of the board of directors following each annual meeting of the members.

3. The officers of this Association shall be elected annually by the board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

4. The board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for one (1) year, have such authority, and perform such duties as the board may from time to time determine.

5. Any officer may be removed from office with or without cause by the board. Any officer may resign at any time by giving written notice to the board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, the acceptance of such resignation shall not be necessary to make it effective

6. A vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

7. 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 except in the case of special offices created pursuant to Section 4 of this Article.

8. The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the board of directors; shall see that orders and resolutions of the board are carried out; and shall sign all leases, mortgages, deeds, and other written instruments.

Vice President

(b) The vice president shall act in the place 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.

Secretary

(c) The secretary shall record the votes and keep the minutes of all the meetings and proceedings of the board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the board and of the members; keep appropriate current records showing the name and address of the members of the Association together with the number of votes to which each member is entitled, and shall perform such other duties as required by the board.

Treasurer

(d) 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 promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year.

ARTICLE X

BOOKS AND RECORDS AND RECORDS

1. The books, records and papers of the corporation shall at all times during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles and these bylaws shall be available for inspection by any member at the principal office of the corporation, where copies may be purchased at reasonable cost.

2. There shall be an annual audit of the books and records of the corporation by an independent public accountant and a copy thereof shall be sent to each member within thirty (30) day after completion thereof.

ARTICLE XI

ASSESSMENTS

1. By the declaration each member is deemed to covenant and agree to pay the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements. The annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each assessment is made. Each such assessment, together with such interest, costs, and reasonable attorney's fees shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due and shall not pass to his successors in title unless expressly assumed by them.

2. The assessments levied by the Association shall be used *exclusively* for the purpose of promoting recreation, health, safety, and welfare of the residents in the properties and in particular for the improvement and maintenance of the common area, services, and facilities devoted to this purpose and related to the use and enjoyment of the common area, and of the homes situated upon the properties.

3. Until January 1 of the year immediately following the conveyance of the first lot or living unit to an owner, the maximum annual assessment shall be \$_____ per lot or living unit.

(a) From and after January 1 of the year immediately following the conveyance of the first lot or living unit to an owner, the maximum annual assessment may be increased effective January 1 of each year without a vote of the membership in conformance with the rise, if any, of the Consumer Price Index (published by the Department of Labor, Washington, D.C.) for the preceding month of July, computed pursuant to the provisions of Section 4 of this Article.

(b) From and after January 1 of the year immediately following the conveyance of the first lot or living unit to an owner, the maximum annual assessment may be increased above that established by the Consumer Price Index formula by a vote of the members for the next succeeding two years and at the end of each period of two years ; provided that any such assessment shall have the assent of the members entitled to cast two-thirds (2/3) of the votes eligible to be cast by each class of members at a meeting duly called for this purpose. Written notice of said meeting setting forth the purposes thereof shall be sent to all the members not less than 30 days nor more than sixty (60) days in advance of the meeting. In the event at any such meeting there are not sufficient members present or by proxy to cast two-thirds (2/3) of all those votes eligible to be cast by each class of members, but there are sufficient members present in person or by proxy to constitute a quorum as hereinafter defined, or in the event there are sufficient members present in person or by proxy to cast two-thirds (2/3) of said votes but such members fail to assent to such increased assessment by the vote required therefore, members not so present at such meeting may, within thirty (30) days thereafter, give their written assent to such assessment, and upon delivery of such written assents to the Secretary of the Association within such time, the votes of such members not so present at such meeting shall be deemed votes cast at such meeting in favor of such assessment. The limitations hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation.

(c) After consideration of current maintenance costs and future needs of the Association, the board of directors may fix the annual assessment at an amount *not in excess of the authorized maximum.*

(d) The annual assessment for an unimproved lot shall be 50% of the assessment for a lot on which a dwelling has been constructed. Beginning the first day of the month following the month in which a building permit is

issued for the construction of a dwelling on an unimproved lot, the assessment shall be as provided in Paragraphs 3 (a) through 3 (c).

(e) The annual assessment for each living unit constructed on a multi-family lot shall be the assessment fixed for a lot. The number of living units assessed shall be the number of allowable living units fixed by the Declarant.

4. The Consumer Price Index establishes the United States City Average numerical rating for the month of July, 1967 as _____. This will be the base rating. To determine the percentage to be applied to the maximum annual assessment for each subsequent year, divide this base rating into the numerical rating established by the Consumer Price Index for the month of July preceding the proposed assessment year. This adjustment percentage, if in excess of 100 percentum, is multiplied by the original maximum annual assessments to obtain the maximum assessment for the subsequent year for each lot and living unit

5. In addition, to the 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 or reconstruction, unexpected repair or replacement of a described capital improvement upon the common area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of the members entitled to cast two-thirds (2/3) of the votes eligible to be cast by each class of members at a meeting duly called for this purpose. Written notice of said meeting setting forth the purpose thereof shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. In the event at any such meeting there are not sufficient members present in person or by proxy to cast two-thirds (2/3) of all those votes eligible to be cast by each class of members, but there are sufficient members present in person or by proxy to cast two-thirds (2/3) of said votes but such members fail to assent to such special assessment by the vote required therefore, members not so present at such meeting may, within thirty (30) days thereafter, give their written assents to the Secretary of the Association within such time, the votes of such members not so present at such meeting shall be deemed votes cast at such meeting in favor of such assessment.

6. At the first meeting called, as provided in Sections 3 and 5 hereof, the presence at the meeting of members or of proxies entitled to cast two-thirds (2/3) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in Sections 3 and 5, and the required quorum at any such 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 sixty (60) days following the preceding meeting

7. The annual assessments provided for herein shall commence as to all lots or living units on January 1, 1976. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. With the exception of the first annual assessment which may be fixed at any time prior to the assessment date, the board of directors of the Association shall fix the amt of the annual assessment against each lot or living unit 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 of assessments shall be established by the board of directors. The Association shall upon demand at any time furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified or living unit have been paid. A reasonable charge may be made by the board for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

8. Any assessments which are not paid when due shall be delinquent and shall constitute a lien on the lot or living unit against which the assessment is made. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum, and the Association may bring an action at law against the owner personally obligated to pay the same, or foreclose its lien against the property, or both, and interest, costs, and reasonable attorney's fees of any

such action shall be added to the amount of such assessment. 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 or living unit. Assessment liens shall continue for a period of one (1) year from the date upon which an assessment becomes delinquent, and no longer; provided that if, within such period, proceedings shall have been instituted to enforce such lien in any court in Tulsa County, Oklahoma, having jurisdiction in suits for the enforcement of liens, such lien shall continue until the termination of the proceeding and until the sale of such lot or living unit under execution of the judgment establishing it.

9. The lien of the assessments provided for herein shall be *subordinate to the lien of any mortgage* now or hereafter placed upon any lot or living unit subject to assessment; provided, however, that such subordination shall apply only to the assessments or installments thereof which have become due and payable prior to the sale of such lot or living unit pursuant to a foreclosure of such mortgage or transfer or conveyance in lieu of such foreclosure. Such sale pursuant to such foreclosure or such transfer or conveyance in lieu of such foreclosure shall not relieve such lot or living unit from liability for any assessments or installments thereof thereafter becoming due nor from the lien of any such subsequent assessments or installments.

10. The following property subject to this Declaration shall be exempt from the assessments created herein: (a) all properties dedicated to and accepted by a local public authority or conveyed to a public utility; (b) the common area; and (c) all properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of Oklahoma, as long as such property is not used for residential purposes.

ARTICLE XII

ALLOCATION OF INCOME AND EXPENSES

1. The corporation shall apply all its revenue from whatever sources derived to the payment of its operating expenses and to other necessary items of disbursement, inclusive of but not limited to, retirement of indebtedness, if any, and construction and improvement of recreational facilities. In addition, the corporation may establish reasonable cash reserves for anticipated future disbursements for maintenance and operating expense, construction and improvement of recreational facilities, and the retirement of debt not subject to amortization. At the end of each fiscal year, any funds remaining after such provisions for anticipated future disbursements shall, in the discretion of the board of directors, be:

(a) applied to the construction or improvement of additional recreational facilities *for the benefit of all members of the corporation* and the respective owners of each such member, or

(b) distributed to members of the corporation in a reasonable manner. Any such funds so distributed to the members of the corporation shall be used *in the discretion of each such member for the payment of operating expenses of such member* or for construction or improvement of recreational facilities for the benefit of such member and its owners. In no event shall a member of this corporation make a distribution to its owners of any sums so distributed to it by this corporation;

provided, however, that the board of directors of this corporation shall not permit an unreasonable accumulation of undesignated funds of this corporation. It is the intention of this provision to impose an affirmative obligation of the board of directors to expend or establish cash reserves for future expenditures for the benefit of the homeowners in the Burning Tree area of any cash funds remaining after the payment of current operating expenses, the establishment of reasonable cash reserves for anticipated future disbursements for maintenance and operating expenses, and the establishment of reserves for the construction of recreational facilities or the retirement of debt not subject to amortization.

2. In the event that the corporation has an operating deficit at the end of its fiscal year, after having applied all prior years' surplus earnings, such deficit shall be allocated to members on the following basis:

(a) Each member shall pay that fractional part of the corporation's deficit equal to the total amount of the deficit multiplied by a fraction, the numerator of which is the dollar amount total annual assessments levied by that member on its membership and the denominator of which is the dollar amount of the total annual assessments levied by all members on their memberships.

3. Each member shall treat any assessment against it by the corporation to cover an operating expense deficit as an operating expense of the member.

4. In the event a member fails to pay its share of the corporation's operating expense within thirty (30) days after having been notified of the amount due, the member shall be suspended from participation in the affairs of the corporation, and the member's membership shall be prohibited from using the facilities of the corporation until such time as the amount assessed is paid by the member.

ARTICLE XIII

CORPORATE SEAL

The corporation shall have a seal in circular form having within its circumference the words: BURNING TREE MASTER ASSOCIATION, INC.

ARTICLE XIV

AMENDMENTS

These bylaws may be amended, at a regular or special meeting of the members, by a vote of a seventy-five percent (75%) majority of a quorum of members present in person or by proxy.

ARTICLE XV

FISCAL YEAR

The fiscal year of the corporation shall be the calendar year.

Adopted this ____ day of _____, 1975

(corporate seal) BURNING TREE MASTER ASSOCIATION, INC.

An Oklahoma Corporation

ATTEST:

_____ By: _____

Secretary

President