

BY-LAWS  
OF  
HERITAGE HILLS OWNERS ASSOCIATION, INC.

ARTICLE I

**NAME AND LOCATION.** The name of the corporation is HERITAGE HILLS OWNERS ASSOCIATION, INC., hereinafter referred to as the "Association". The principal **mailing address** of the corporation shall be located at **P.O. Box 5097** Enid, Oklahoma 73707, but meetings of members and directors may be held at such places within the State of Oklahoma, County of Garfield, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to Heritage Hills Owners Association, Inc. its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Green Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners-Stock Members.

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

Section 5. "Owner" shall mean and refer to the record owner-stock member, 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 such interest merely as security for the performance of an obligation.

Section 6. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions, and Restrictions applicable to the Properties recorded in the Office of the County Clerk of Garfield County, Oklahoma.

Section 7. "Stock Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.



## ARTICLE III

### MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the stock members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the stock members shall be held the 3<sup>rd</sup> Tuesday of February.

Section 2. Special Meetings. Special meetings of the stock members may be called at any time by the president or by the Board of Directors, or upon written request of 25% of the stock members who are entitled to vote.

Section 3. Notice of Meetings. Written notice of each meeting of the stock 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 15 days before such meeting to each stock member entitled to vote thereat, addressed to the stock member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of stock members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of stock members, each stock member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the stock member of his lot.

## ARTICLE IV

### BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number: The affairs of the Association shall be managed by a Board of nine (9) directors, who must be stock members of the Association and residents of Heritage Hills.

Section 2. Term of Office: At each annual meeting the members shall elect three directors for a term of three years.



Section 3. Removal: Any director may be removed from the Board, with or without cause, by majority vote of the members of the Association. 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 for the un-expired term of his predecessor.

Section 4. 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.

Section 5. 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 all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

## ARTICLE V

### NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to 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 or more stock members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the stock members, to serve from the close of such annual meeting until the close of the next annual meeting. The Nominating Committee shall make 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. Such nominations shall be made from among stock members.

Section 2. Election: Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## ARTICLE VI

### MEETINGS OF DIRECTORS

Section 1. Regular Meetings: Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting 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 two 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. Every act or decision done or made by the 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.

## 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 Green Area and facilities, and the personal conduct of the stock members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) suspend the voting rights and the right to use of the recreational facilities of a stock member during any period in which such stock member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;
- (c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the stock membership by other provisions of these By-laws, the Articles of Incorporation, or the Declaration;
- (d) declare the office of a stock member of the Board of Directors to be vacant in the event such stock member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- (e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

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 stock members at the annual meeting of the stock members, or at any special meeting such statement is requested in



writing by one - fourth (1/4) of the Class A stock 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 in the Declaration, 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) send written notice of each assessment to every Owner subject thereto at least five (5) days in advance of each quarterly assessment period; and assessments become delinquent on the sixteenth (16) day of each assessment period;
- (3) assess a late fee of ten (10) dollars to each delinquent assessment;
- (4) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

(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. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an 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;

(g) cause the Green Area to be maintained;

(h) receive and deposit in appropriate bank accounts all moneys of the Association and shall disburse such funds as directed by the 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 the Auditing Committee at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be represented to the membership at its regular annual meeting, and deliver a copy of each to the stock members.



## ARTICLE VIII

### OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers: The officers of this Association shall be a president, who shall at all times be a member of the Board of Directors, a secretary, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers: The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the stock members.

Section 3. Term: 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.

Section 4. Special Appointments: The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal: Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time 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.

Section 6. Vacancies: A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices: No person shall simultaneously hold more than one office except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties: 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; shall sign all leases, mortgages, deeds and other written instruments.



## SECRETARY

- (b) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the stock 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 stock 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.

## ARTICLE IX

### COMMITTEES

The Association shall appoint an Architectural Control Committee as provided in the Declaration, and a Nominating Committee, as provided in these By-laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

## 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 stock member. The Declaration, the Articles of Incorporation and the By-laws 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

As more fully provided in the Declaration, each stock member is obligated to pay to the Association annual and special assessments which, are secured by a continuing lien upon the property against which the assessment is made. Any assessments which, are not paid when due, shall be delinquent. If the assessment is not paid within sixteen (16) days after the due date, a ten (10) dollar late fee shall be added for each successive delinquent assessment period thereafter. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorneys 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 nonuse of the Green Area or abandonment of his lot.



## ARTICLE XII

### CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Heritage Hills Owners Association, Inc., Corporate Seal Oklahoma.

## ARTICLE XIII

### AMENDMENTS

Section 1. These By-laws may be amended, at regular or special meeting of the stock members, by a vote of a majority of a quorum of stock members present in person or by proxy.

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 Declaration and these By-laws, the Declaration shall control.

## ARTICLE XIV

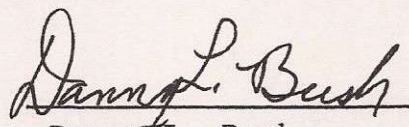
### MISCELLANEOUS

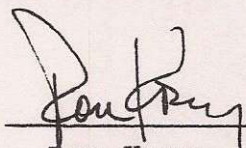
The fiscal year of the Association shall begin on the first day of January and end on the 31<sup>st</sup> day of December of every year, except the first fiscal year shall begin on the date of incorporation.

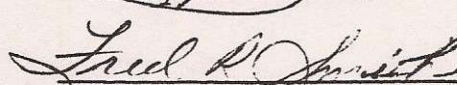
In WITNESS WHEREOF, we, being all of the directors of the Heritage Hills Owners Association, Inc., have hereunto set our hands this 16 day of

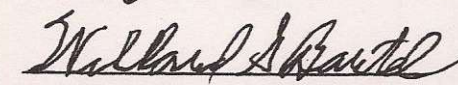
February, 1999

  
Jerry L. Summers

  
Danny L. Bush

  
Ron Krey

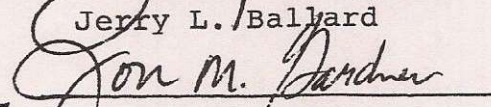
  
Fred R. Smith

  
Willard G. Bartel

  
Jerry L. Ballard

  
Walter F. Cox, Jr.

  
Mark Pickens

  
Jon M. Gardner



INDIVIDUAL ACKNOWLEDGMENT - OKLAHOMA FORM

STATE OF Oklahoma, County of Garfield, SS.

The foregoing instrument was acknowledged before me this 16th day of February, 19 99, by Jerry L. Summers, Danny L. Bush, Ron Krey, Fred R. Smith, Willard G. Bartel, Jerry L. Ballard, Walter F. Cox, Jr., Mark Pickens, Jon M. Gardner.

My commission expires: June 12, 2001

Notary Public Terra Cross

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected secretary of the HERITAGE HILLS OWNERS ASSOCIATION, INC., an Oklahoma corporation, and,

THAT the foregoing By-Laws constitute the By-Laws of said Association, as duly amended at the annual stockholders meeting, held on the 24th day of February, 1998.

IN WITNESS WHEREOF, I have hereunto subscribed y name and affixed the seal of said Association this 16 day of February, 1999.

Ron Krey