

BYLAWS
OF
STONEBROOKE OWNERS ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

The name of the Corporation is Stonebrooke Owners Association, Inc. The principal office of the corporation shall be located at 802 West Main, Jenks, Oklahoma 74037, but meetings of members and directors may 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

2.1 “**Association**” shall mean and refer to the Stonebrooke Owners Association, Inc., an Oklahoma not-for-profit corporation, and its successors and assigns.

2.2 “**Common Area**” shall mean and refer to all real property owned by the Association for the common use and enjoyment of the Owners, if any, including reserve areas and the entrances and medians to the addition which have been landscaped, including all additional properties specifically annexed as “ common area,” consistent with the Articles of Incorporation, the Dedication or these Bylaws.

2.3 “**Declarant**” shall mean and refer to Stonebrooke Owners Association, Inc., an Oklahoma not-for-profit corporation, its successors and assigns if such successors or assigns should acquire more than one undeveloped lot from the Declarant for the purpose of development.

2.4 “**Dedication**” shall mean and refer to the Dedication and Declaration of Covenants, Conditions and Restrictions for Stonebrooke Park recorded in the Office of the County Clerk of

Tulsa County, State of Oklahoma and any other Stonebrooke development which is contiguous with Stonebrooke Park.

2.5 “**Developer**” means Stonebrook Development Group, L.L.C., an Oklahoma limited liability company.

2.6 “**Lot**” shall mean and refer to any plot of land shown upon all recorded subdivision map(s) of Stonebrooke with the exception of the Common Area.

2.7 “**Owner**” shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding persons having such interest merely as security for the performance of an obligation.

2.8 “**Member(s)**” shall mean and refer to those persons entitled to membership in the Association as provided in the Dedication. Every Owner shall be a Member of the Association and membership shall be appurtenant to and may not be severed from ownership of any Lot that is subject to assessment. Each Lot shall be entitled to one (1) vote, and where there is more than one Owner of a Lot, though each such Owner shall be a Member, the vote of such Lot shall be exercised by its Owners together, as they themselves shall determine.

2.9 “**Property**” shall mean and refer to that certain real property described in the Dedication and Declaration for Stonebrooke Park, a subdivision of part of Section 36, Township 18 North, Range 12 East, Tulsa County, Oklahoma, and such additional contiguous properties as may hereafter be annexed to and brought within the jurisdiction of the Association by declaration in one or more Deed(s) of Dedication to be executed, delivered and recorded by the Developer, consistent with the Articles of Incorporation, the Dedication or these Bylaws.

ARTICLE III
MEETING OF MEMBERS

3.1 Annual Meeting. The annual meeting of the Members shall be held on the first Tuesday in April, at the hour of 7:00 o'clock p.m. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

3.2 Special Meeting. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of one-tenth (1/10) of the Members who are entitled to vote thereat.

3.3 Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by 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.

3.4 Quorum. At all meetings of the Members, the presence of one-tenth (1/10th) of the Members, either in person or by proxy, shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Dedication or these Bylaws. 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 from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

3.5 Proxies. At all meetings of Members, each Member may vote in person or by proxy, in the form of Exhibit "A" hereto attached. All proxies shall be in writing and filed with the

Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of the Member's Lot.

ARTICLE IV
BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

4.1 Number. The affairs of this Association shall be managed by a Board of not less than four (4) and not more than seven (7) Directors, who need not be Members of the Association. The initial Board shall consist of four (4) Directors as specified in the Certificate of Incorporation. Two (2) of the initial Directors shall serve for a term of five (5) years until the April 2010, annual meeting. The remaining two (2) initial Directors shall serve for a term of six (6) years until the April 2011, annual meeting.

4.2 Term of Office. At the annual meeting to be held in April of 2009, the Members shall elect three (3) additional Directors for a term of one (1) year. At the next annual meeting to be held in April of 2010, the Members shall elect five (5) Directors for a term of one (1) year. At each annual meeting thereafter, the Members shall elect seven (7) Directors for a term of one (1) year. Directors may be re-elected an unlimited number of times.

4.3 Removal. Any elected Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a Director, such Director's successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of the predecessor.

4.4 Compensation. No Director shall receive compensation for any service rendered to the Association. However, any Director may be reimbursed for actual expenses incurred in the performance of duties.

4.5 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 of 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

5.1 Nomination. Nomination for election to the Board of Directors after the April 2008, annual meeting 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 members or directors of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each 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 may be made from among Members or non-members.

5.2 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 Dedication. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

6.1 Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly without notice, at such place and hour as may be fixed from time to time by the Board. .

6.2 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.

6.3 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 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.

ARTICLE VII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

7.1 Powers. The Board of Directors shall have the power to:

(a) adopt and publish rules and regulations governing the use of any Common Areas and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for violation of such rules and regulations;

(b) suspend the voting rights and right to use of the recreational facilities of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for violation 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 membership by other provisions of these Bylaws, the Articles of Incorporation, or the Dedication;

(d) declare the office of a Board of Director to be vacant in the event such Director shall be absent from three (3) consecutive regular meetings of the Board of Directors;

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, subject to availability of funds, and to prescribe their duties;

(f) enforce the obligation of every Owner to maintain the Common Areas, including such plants, trees and landscaping as shall be placed thereon, and to charge reasonable fees and make assessments for the maintenance of all landscaping, mowing, repair, clearing of the Common Areas and streets, and compliance with the rules and regulations of the City of Tulsa related to the Property;

(g) suspend a Member's voting rights for any period during which any assessment against his Lot remains unpaid, and for a period not to exceed sixty (60) days for any infraction of the Association's published rules and regulations; and

(h) dedicate or transfer all or any part of the Association's obligations herein to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Association and such agency, authority or utility, including but not limited to the right to bill, collect and enforce assessments and liens for unpaid assessments.

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

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-tenth (1/10) of the Members entitled to vote thereat.

(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 Dedication 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 thirty (30) days in advance of each annual assessment period; and

(3) 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 or his designee 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) cause all officers or employees having fiscal responsibilities to be bonded, if they deem it necessary;

11 cause any Common Area, utility services and any personal property associated therewith to be maintained;

12 shall keep in place a general liability insurance policy for the benefit of the Owners Association of not less than one million dollars (\$1,000,000.00);

13 shall insure all physical properties of the Owners Association as it deems to be necessary and appropriate.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

8.1 Enumeration. The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution create.

8.2 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 Members.

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

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

8.5 Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time 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, and the acceptance of such resignation shall not be necessary to make it effective.

8.6 Vacancies. A vacancy in any office will be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer replaced.

8.7 Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 8.4 of this Article.

8.8 Duties. The duties of the officers are as follows:

(a) **President.** The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments; and, shall co-sign promissory notes.

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

(c) **Secretary.** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and, shall perform such other duties as required by the Board.

(d) **Treasurer.** The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and

promissory notes of the Association; keep proper books of accounts; cause an annual audit of the Association books to be made by a certified public accountant at the completion of each fiscal year if directed to do so by the Board of Directors, and, shall prepare the annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE IX **COMMITTEES**

The Board of Directors shall appoint a Nominating Committee, as provided in these Bylaws. The Board of Directors may appoint committees to manage or oversee various functions and activities as it deems appropriate.

ARTICLE X **BOOKS AND RECORDS**

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Dedication, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be obtained at a reasonable cost.

ARTICLE XI **ASSESSMENTS**

Pursuant to the Dedication, each Member is obligated to pay to the Association annual maintenance and special assessments for capital improvements, to be established and collected as hereafter set forth and secured by a continuing lien upon the Lot(s) against which each assessment is made.

11.1 Initial Assessment. The initial assessment shall be \$300.00 per Lot; provided, however, that the Board of Directors may increase or decrease the assessment each year subsequent to the initial assessment year by not more than twenty-five percent (25%) per year. Assessments for subsequently annexed Lots may be established, without regard to the conditions of the preceding sentence, provided that such assessments shall be fair and equitable, in the discretionary judgment of the Board of Directors, as among all Members. Larger increases may be made with the prior consent of sixty percent (60%) of the votes of the Members entitled to vote who are present in person or by proxy at a meeting duly called for this purpose.

11.2 Special Assessments. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Areas, including fixtures and personal property related thereto, provided that any such assessment shall require the prior consent of two-thirds (2/3rds) of the votes of Members entitled to vote who are present in person or by proxy at a meeting duly called for this purpose.

11.3 Assessment Rate. Both annual and special assessments shall be fixed at a uniform rate for each Lot; provided, however, that the first annual assessment for each Lot shall be adjusted based on the number of days remaining in the calendar year. The initial assessment shall not be assessed to each Lot until a single-family house has been built and occupied or by the following schedule, whichever is earlier.

Stonebrooke Park	January 1, 2009
Stonebrooke Glenn	January 1, 2010
Stonebrooke Estates	January 1, 2011
The Reserve at Stonebrooke	January 1, 2011

11.4 Determination. The Board of Directors shall fix the amount of each annual assessment at least thirty (30) days prior to the commencement date of each annual assessment period. The due dates for payment of the annual assessments shall be established by the Board of Directors, and the Board of Directors may provide for the payment of the annual assessments on a monthly basis, semi-annual basis, or annual basis. Written notice of the annual assessment and the due dates for payment shall be sent to each Owner. The omission or failure of the Board of Directors to timely fix the annual assessment or to give notice thereof shall not be deemed a waiver or release of any Owner from the obligation to pay the assessment when fixed, and notice thereof given.

11.5 Certificates. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

11.6 Liens. An assessment which is not paid when due shall be delinquent and shall constitute a lien on the Lot 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 a rate of interest per annum as set by the Board of Directors from time to time, but not to exceed the maximum rate of interest allowed by law, and the Association or its assignee may bring an action at law against the Owner personally obligated to pay the same, or foreclose its lien against the Lot, or both, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of the 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. Assessment liens shall continue for a period of the termination of the judicial proceeding and the sale of such Lot pursuant to execution of judgment.

11.7 Priority. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien; provided, however, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve the Lot from the lien for assessments thereafter becoming due.

ARTICLE XII

AMENDMENTS

12.1 Amendment Procedures. These Bylaws may be amended upon recommendation by the Board of Directors and approved by Members.

(a) **Board Recommendation.** A proposed amendment shall be recommended by the Board of Directors, at a regular or special meeting of the Board, by a vote of a majority of Directors presently entitled to vote.

(b) **Member Approval.** Upon recommendation by the Board of Directors, the amendment shall be passed by the Members, at a regular or special meeting of the Members, by a vote of sixty-six and two-thirds percent (66 2/3%) of the Members presently entitled to vote and present at the meeting in person or by proxy.

12.2 Conflict. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and, in the case of any conflict between the Dedication and these Bylaws, the Dedication shall control.

ARTICLE XIII

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the last day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the Directors of the Stonebrooke Owners Association, Inc., have hereunto set our hands this ____ day of _____, 200__.

Randy Branstetter

Robert M. Miles

Robert M. Sharp

Mark A. Sharp

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Secretary of the Stonebrooke Owners Association, Inc., an Oklahoma corporation, and

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the ____ day of _____, 200__.

IN WITNESS WHEREOF, I have hereunto subscribed my name this ____ day of _____, 200__.

Secretary

EXHIBIT "A"

PROXY

The undersigned member of Stonebrooke Homeowners Association, Inc., an Oklahoma not-for-profit corporation, (the "Corporation"), hereby nominates and appoints _____, as my true and lawful attorney-in-fact and proxy, with the power of substitution to vote my entire interest as a member of the Corporation. This proxy is to be effective for:

- _____ 1. One meeting only, to be held at _____ p.m. on the _____ day of _____, 20____, at _____, Tulsa, Oklahoma, or

- _____ 2. For all meetings held by the Corporation until this proxy is withdrawn by the undersigned member.

This proxy may be withdrawn by the undersigned member giving written notice to the Corporation or by the member personally appearing at the meeting to vote. Said attorney-in-fact shall have all the powers the undersigned would possess if personally present and acting at such meeting.

Member

Address

