

EXHIBIT C

BYLAWS  
OF  
DEER CREEK VILLAGE COMMUNITY ASSOCIATION, INC.

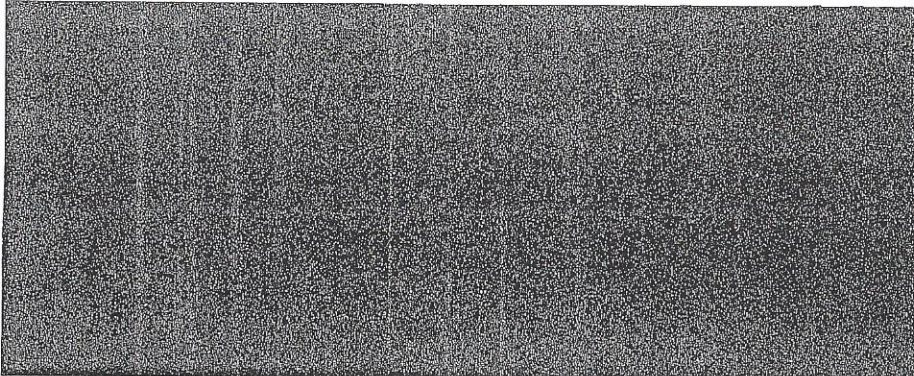
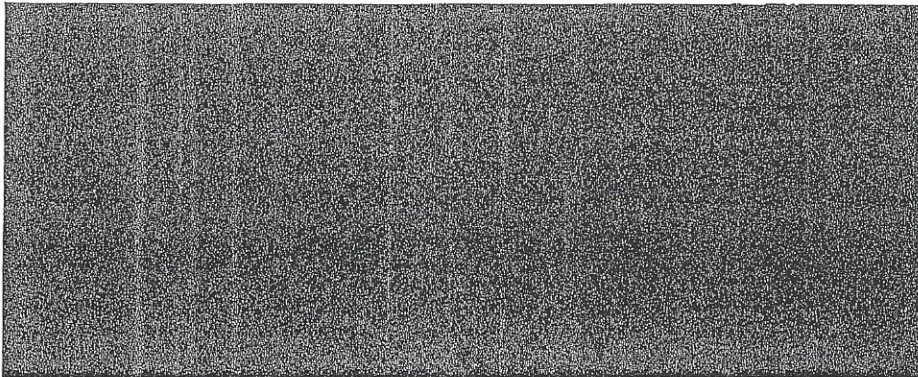


TABLE OF CONTENTS

<u>ARTICLE</u>	<u>SECTION</u>	<u>Page</u>
I.	NAME, PRINCIPAL OFFICE, AND DEFINITIONS .....	1
	1.1 Name .....	1
	1.2 Principal Office .....	1
	1.3 Definitions .....	1
II.	ASSOCIATION: MEMBERSHIP, MEETINGS, QUORUM, VOTING PROXIES .....	1
	2.1 Membership .....	1
	2.2 Place of Meetings .....	1
	2.3 Annual Meetings .....	1
	2.4 Special Meetings .....	1
	2.5 Notice of Meetings .....	1
	2.6 Waiver of Notice .....	2
	2.7 Adjournment of Meetings .....	2
	2.8 Voting .....	2
	2.9 Proxies .....	2
	2.10 Majority .....	3
	2.11 Quorum .....	3
	2.12 Conduct of Meetings .....	3
	2.13 Video or Telephonic Participation .....	3
	2.14 Action Without a Meeting .....	3
III.	BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS .....	3
	A. Composition and Selection .....	3
	3.1 Governing Body; Composition .....	3
	3.2 Number of Directors .....	4
	3.3 Directors During Class "B" Control Period .....	4
	3.4 Nomination of Directors .....	4
	3.5 Election and Term of Office .....	4
	3.6 Removal of Directors and Vacancies .....	5
	B. Meetings .....	6
	3.7 Organizational Meetings .....	6
	3.8 Regular Meetings .....	6
	3.9 Special Meetings .....	6
	3.10 Waiver of Notice .....	6
	3.11 Quorum of Board of Directors .....	6
	3.12 Compensation .....	7
	3.13 Conduct of Meetings .....	7

3.14	Open Meetings .....	7
3.15	Action Without a Formal Meeting.....	7
3.16	Video or Telephonic Participation .....	7
C.	Powers and Duties.....	8
3.17	Powers.....	8
3.18	Duties.....	8
3.19	Right of Class "B" Member to Disapprove Actions.....	9
3.20	Management.....	10
3.21	Accounts and Reports .....	10
3.22	Borrowing .....	12
3.23	Rights of the Association .....	12
3.24	Enforcement.....	12
IV.	OFFICERS .....	13
4.1	Officers .....	13
4.2	Election and Term of Office .....	13
4.3	Removal and Vacancies .....	13
4.4	Powers and Duties.....	13
4.5	Resignation .....	13
4.6	Agreements, Contracts, Deeds, Leases, Checks, Etc. ....	13
4.7	Compensation .....	14
V.	COMMITTEES.....	14
5.1	General.....	14
5.2	Covenants Committee.....	14
5.3	Landscape Committee.....	14
5.4	Membership/Social Committee .....	14
VI.	MISCELLANEOUS .....	14
6.1	Fiscal Year .....	14
6.2	Parliamentary Rules .....	14
6.3	Conflicts.....	15
6.4	Books and Records .....	15
6.5	Notices .....	15
6.6	Indemnification .....	15
6.7	Amendment.....	16
	CERTIFICATION.....	18



BYLAWS  
OF  
DEER CREEK VILLAGE COMMUNITY ASSOCIATION, INC.

Article I  
NAME, PRINCIPAL OFFICE, AND DEFINITIONS

- 1.1. Name. The name of the Association shall be Deer Creek Village Community Association, Inc. ("Association").
- 1.2. Principal Office. The principal office of the Association shall be located in Oklahoma County, Oklahoma. The Association may have such other offices as the Board may determine or as the affairs of the Association may require.
- 1.3. Definitions. The words used in these Bylaws shall be given their normal, commonly understood definitions. Capitalized terms shall have the same meaning as set forth in that Declaration of Covenants, Conditions, and Restrictions for Deer Creek Village filed in the Official Records ("Declaration"), unless the context indicates otherwise.

Article II  
ASSOCIATION: MEMBERSHIP, MEETINGS, QUORUM, VOTING, PROXIES

- 2.1. Membership. The Association shall have three classes of membership, Class "A" Class "B" and Class "C" Members as set forth in the Declaration. The provisions of the Declaration pertaining to membership are incorporated herein by this reference.
- 2.2. Place of Meetings. Meetings of the Association shall be held within the Property or at such other suitable place within Oklahoma County, Oklahoma as may be designated by the Board.
- 2.3. Annual Meetings. The first meeting of the Association, whether a regular or special meeting, shall be held within one year after incorporation of the Association. Meetings shall be of the Members. Subsequent regular annual meetings shall be set by the Board so as to occur prior to the first day of February of the Association's fiscal year on a date and at a time set by the Board.
- 2.4. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting if so directed by resolution of the Board or upon a petition signed by Members holding at least 5% of the voting power of the Association.
- 2.5. Notice of Meetings. Written notice stating the place, day, and hour of any meeting of the Members shall be delivered, either personally, by mail, or by computer, fiber optics, or other similar communication devices to each Member entitled to vote at such meeting, not less

than 10 nor more than 50 days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting.

In the case of a special meeting or when otherwise required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No other business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his or her address as it appears on the records of the Association, with postage prepaid.

2.6. Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also shall be deemed waiver of notice of all business transacted unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

2.7. Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting may adjourn the meeting to a date not less than 5 nor more than 30 days from the time the original meeting was called. At the reconvened meeting, any business may be transacted which might have been transacted at the meeting originally called provided that Members representing at least 25% of the total voting power of the Association are present. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

2.8. Voting. The voting rights of Members shall be set forth in the Declaration and in these Bylaws, and such voting rights provisions are incorporated herein by this reference. Votes may be registered by voice vote or at a ballot meeting, or otherwise by mail, computer, or pursuant to other policies as determined by the Board; provided, meetings shall be held when required by the Declaration or Bylaws. All Membership votes shall be subject to the quorum requirements of Section 2.11 of these Bylaws.

2.9. Proxies. Members may vote by proxy, in person, or through their designated alternates.

Each proxy shall be in writing, dated, signed and filed with the Secretary prior to the meeting for which it is to be effective. Proxies may be delivered to the Secretary by personal delivery, U.S. mail or telecopy to any Board member or the professional management agent, if any. Unless otherwise provided in the proxy, a proxy shall cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated

as of the same date, both shall be deemed invalid. No proxy shall be valid more than eleven (11) months after its execution unless otherwise provided in the proxy. Every proxy shall be revocable and shall automatically cease upon conveyance of the Member's Lot.

2.10. Majority. As used in these Bylaws, the term "majority" shall mean those votes, Owners, or other group, as the context may indicate, totaling more than 50% of the total eligible number.

2.11. Quorum. Except as otherwise provided in these Bylaws or in the Declaration, the presence of Members representing 30% of the total Class "A" votes in the Association shall constitute a quorum at all meetings of the Association. Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough to leave less than a quorum, provided that any action taken is approved by at least a majority of the votes required to constitute a quorum.

2.12. Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meetings and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting.

2.13. Video or Telephonic Participation. One or more Members may participate in and vote during any regular or special meeting of the Members by telephone conference call, video conference, fiber optics, cable, computer, or similar communication equipment by means of which all Persons participating in the meeting can hear each other at the same time, and those Members so participating shall be present at such meeting. Any such meeting at which a quorum participates shall constitute a meeting of the Association.

2.14. Action Without a Meeting. Any action required or permitted by law to be taken at a meeting of the Members may be taken without a meeting, without prior notice, and without a vote if written consent specifically authorizing the proposed action is signed by Members representing at least the minimum number of votes necessary to authorize such action at a meeting if all Members entitled to vote thereon were present. All such consents shall be signed within 60 days after receipt of the earliest dated consent, dated and delivered to the Association at its principal place of business in the State of Oklahoma. Such consents shall be filed with the minutes of the Association.

### Article III

#### BOARD OF DIRECTORS; NUMBER, POWERS, MEETINGS

##### A. Composition and Selection.

3.1. Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors. Each director shall have one equal vote. Except with respect to directors appointed by the Class "B" Member, the directors shall be Members or residents; provided, however, no more than one representative from a Lot may serve on the Board at the same time. All directors shall complete, prior to being elected to the Board, such training and committee or other service requirements as established by the Board.

In the case of a Member which is not a person, any officer, director, partner, or trust officer of such Member shall be presumed to be eligible to serve as a director unless otherwise specified by written notice to the Association signed by such Member. No Member may have more than one such representative on the Board at a time, except in the case of directors appointed by the Class "B" Member.

3.2. Number of Directors. The Board shall consist of from three (3) to five (5) directors, as provided in Sections 3.3 and 3.5 below. The initial Board shall consist of three (3) directors as identified in the Certificate.

3.3. Directors During Class "B" Control Period. Subject to the provisions of Section 3.5, the directors shall be appointed by the Class "B" Member acting in its sole discretion and shall serve at the pleasure of the Class "B" Member. The Class "B" Control Period shall terminate upon the first to occur of the following:

- (a) when 85% of the Lots have been conveyed to Owners other than the Declarant or Builders;
- (b) December 31, 2015; or
- (c) when, in its discretion, the Class "B" Member so determines.

3.4. Nomination of Directors. Except with respect to directors appointed by the Class "B" Member, nominations for election to the Board may be made from the floor and also by a Nominating Committee. The Nominating Committee shall consist of three (3) or more persons and a Chairperson, who shall be a member of the Board. The remaining members of the Nominating Committee shall be Members, residents of Lots, or any officer, director, partner, or trust officer of a Member which is not a natural person.

The members of the Nominating Committee shall be appointed by the Board not less than 60 days prior to each annual meeting to serve a term of one year and until their successors are appointed, and such appointment shall be announced in the notice of each election. The Nominating Committee shall nominate candidates for the Board no later than 30 days before the meeting at which the election shall be held.

The Nominating Committee shall make as many nominations on each slate for election to the Board as it shall in its discretion determine, but in no event less than the number of positions to be filled from each slate as provided in Section 3.5 below. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

3.5. Election and Term of Office. Except as otherwise specifically provided, election of directors shall take place at the Association's annual meeting. Notwithstanding any other provision of these Bylaws:

- (a) Within 30 days after the time that Class "A" Members other than Builders own 50% of the Lots in Deer Creek Village, or whenever the Class "B" Member earlier determines, the President shall call for an election by which the Members shall be entitled to elect one of the three directors, who shall be an at-large director. The remaining two directors shall be appointees

of the Class "B" Member. The director elected by the Members shall not be subject to removal by the Class "B" Member and shall be elected for a term of two years or until the happening of the event described in subsection (b), whichever is shorter. If such director's term expires prior to the happening of the event described in subsection (b), a successor shall be elected for a like term.

(b) Within 30 days after the time that Class "A" Members other than Builders own 75% of the Lots in Deer Creek Village, or whenever the Class "B" Member earlier determines, the Board shall be increased to five directors. The President shall call for an election by which the Members shall be entitled to elect two of the five directors, who shall serve as at-large directors. The remaining three directors shall be appointees of the Class "B" Member. Directors elected by the Members shall not be subject to removal by the Class "B" Member and shall be elected for a term of two years or until the happening of the event described in subsection (c) below, whichever is shorter. If such directors' terms expire prior to the happening of the event described in subsection (c) below, successors shall be elected for a like term.

(c) Within 90 days after termination of the Class "B" Control Period, the President shall call for an election by which the Members shall be entitled to elect four of the five directors, who shall serve as at-large directors. The remaining one director shall be appointed by the Class "B" Member. The directors elected by the Members shall not be subject to removal by the Class "B" Member. Two of the directors elected by the Members shall serve a term of two years and two shall serve a term of one year, as such directors determine among themselves.

Until termination of the Class "B" membership, the Class "B" Member shall be entitled to appoint one director. Upon termination of the Class "B" membership, the director elected by the Class "B" Member shall resign and the remaining directors shall be entitled to appoint a director to serve until the next annual meeting at which time the Members shall be entitled to elect a director to fill such position. Such director shall be elected for a term of two years.

Upon expiration of the term of office each director elected by the Members, Members entitled to elect such director shall be entitled to elect a successor to serve a term of two years. Directors elected by the Members shall hold office until their respective successors have been elected. Directors may be elected to serve any number of consecutive terms.

3.6. Removal of Directors and Vacancies. Any director elected solely by the Members may be removed, with or without cause, by the vote of Members, but shall not be subject to removal solely by the Class "B" Member. Any director whose removal is sought shall be given notice prior to any meeting called and noticed for that purpose. Upon removal of a director elected by the Members, a successor shall be elected by the Members.

Any director elected by the Members who has three consecutive unexcused absences from Board meetings, or who is more than 30 days delinquent in the payment of any assessment or other charge due the Association, may be removed by a majority of the directors present at a regular or special meeting of the Board at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term.



In the event of the death, disability, or resignation of a director elected by the Members, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Members may elect a successor for the remainder of the term. In the event of the death, disability, or resignation of a director appointed or elected by the Declarant or the Class "B" Member, the Declarant or the Class "B" Member, as appropriate, may appoint a successor director to fill the vacancy.

B. Meetings.

3.7. Organizational Meetings. The Board shall hold its first meeting within 10 days after each annual election of directors.

3.8. Regular Meetings. Regular meetings of the Board may be held at such time and place as the Board shall determine, but at least one such meeting shall be held each quarter. Notice of the time and place of the meeting shall be posted in a prominent place within the Property and communicated to directors not less than four days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting.

3.9. Special Meetings. Special meetings of the Board shall be held when called by written notice signed by the President or by any two directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by: (a) personal delivery; (b) first class mail, postage prepaid; (c) telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director, or (d) facsimile, computer, fiber optics, or any such other communication device. All such notices shall be given at the director's telephone, fax, or e-mail number or sent to the director's address as shown on the records of the Association. Notices of special meetings of the Board shall be posted in a prominent place within the Property. Notices sent by first class mail shall be deposited into a United States mailbox at least seven business days before the time set for the meeting. Notices given by personal delivery, telephone, facsimile, or other device shall be delivered, telephoned, or transmitted at least 72 hours before the time set for the meeting.

3.10. Waiver of Notice. The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.11. Quorum of Board of Directors. At all meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board, unless otherwise specifically provided in these Bylaws or the Declaration. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required

quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors present at such meeting may adjourn the meeting to a time not less than five nor more than 30 days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

3.12. Compensation. No director shall receive any compensation from the Association for acting as such; provided, however, any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors. Nothing herein shall prohibit the Association from compensating a director, or any entity with which a director is affiliated, for services or supplies furnished to the Association in a capacity other than as a director pursuant to a contract or agreement with the Association, provided that such director's interest was made known to the Board prior to entering into such contract and such contract was approved by a majority of the Board, excluding the interested director.

3.13. Conduct of Meetings. The President shall preside over all meetings of the Board, and the Secretary shall keep a minute book of meetings of the Board, recording all resolutions adopted by the Board and all transactions and proceedings occurring at such meetings.

3.14. Open Meetings. Subject to the provisions of Sections 3.15 and 3.16 of these Bylaws, all meetings of the Board shall be open to all Members and the Board is authorized, but not obligated, to employ various methods for holding its meetings which are designed to permit the broadest possible relevant participation or observation of its decision-making process. A Member other than a director may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a director. In such case, the President may limit the time any Member may speak.

Notwithstanding the above, the President may adjourn any meeting of the Board and reconvene in executive session, excluding Members, to discuss:

- (a) employment or personnel matters for employees of the Association;
- (b) legal advice from an attorney retained for the Board or the Association;
- (c) pending or contemplated litigation; or
- (d) pending or contemplated matters relating to enforcement of the Governing Documents.

3.15. Action Without a Formal Meeting. Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors, and such consent shall have the same force and effect as a unanimous vote. Written consent or consents shall be filed with the minutes of the proceedings of the Board.

3.16. Video or Telephonic Participation. One or more directors may participate in and vote during any regular or special meeting of the Board by telephone conference call, video conference, fiber optics, cable, computer, or similar communication equipment by means of

which all Persons participating in the meeting can hear each other at the same time, and those directors so participating shall be present at such meeting. Any such meeting at which a quorum participates shall constitute a meeting of the Board.

C. Powers and Duties.

3.17. Powers. The Board shall have all of the powers and duties necessary and appropriate for the administration of the Association's affairs and for performing all responsibilities and exercising all rights of the Association as set forth in the Declaration, these Bylaws, the Certificate, and as provided by law. The Board may do or cause to be done all acts and things as are not by the Declaration, Certificate, these Bylaws, or Oklahoma law directed to be done and exercised exclusively by the Members or the membership generally.

3.18. Duties. The duties of the Board shall include, without limitation:

- (a) preparation and adoption of annual budgets and establishing each Owner's share of the Common Expenses;
- (b) levying and collecting assessments from the Owners to fund the Common Expenses;
- (c) providing for the operation, care, upkeep, and maintenance of the Area of Common Responsibility;
- (d) designating, hiring, and dismissing the personnel necessary to carry out the rights and responsibilities of the Association and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;
- (e) depositing all funds received on behalf of the Association in a bank depository which the Board shall approve and using such funds to operate the Association; provided, any reserve fund may be deposited, in the directors' best business judgment, in depositories other than banks;
- (f) making and amending rules and regulations, including Use Restrictions, and establishing penalties and fines for infractions thereof;
- (g) opening of bank accounts on behalf of the Association and designating the signatories required;
- (h) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Area in accordance with the Declaration and these Bylaws;
- (i) enforcing by legal means the provisions of the Declaration, these Bylaws, and the rules adopted by the Board and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

(j) obtaining and carrying property, liability, and commercial crime insurance, as provided in the Declaration, paying the cost thereof, and filing and adjusting claims, as appropriate;

(k) paying all taxes and/or assessments which are or could become a lien on the Common Area or a portion thereof;

(l) paying the cost of all services rendered to the Association or its Members and not chargeable directly to specific Owners;

(m) keeping books with detailed accounts of the receipts and expenditures of the Association;

(n) making available to any prospective purchaser of a Lot, any Owner, and the holders, insurers, and guarantors of any Mortgage on any Lot, current copies of the Declaration, the Certificate, the Bylaws, rules and all other books, records, and financial statements of the Association,

(o) permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Property;

(p) indemnifying a director, officer, or committee member, or former director, officer, or committee member of the Association to the extent such indemnity is permitted or required by Oklahoma law, the Certificate, and these Bylaws; and

(q) assisting in the resolution of disputes between Owners and others without litigation, as set forth in the Declaration.

3.19. Right of Class "B" Member to Disapprove Actions. So long as the Class "B" membership exists, the Class "B" Member shall have a right to disapprove any action, policy, or program of the Association, the Board, and any committee which, in the judgment of the Class "B" Member, would tend to impair rights of the Declarant or its designees under the Declaration or these Bylaws, or interfere with development, construction, or marketing of any portion of the Property, or diminish the level of services being provided by the Association. This right to disapprove is in addition to, and not in lieu of, any right to approve or disapprove specific actions of the Association, the Board, or any committee as may be granted to the Class "B" Member or the Declarant in the Declaration or these Bylaws.

(a) The Class "B" Member shall be given written notice of all meetings of the Association, the Board, or any committee thereof and of all proposed actions of the Association, the Board or any committee thereof to be approved at such meetings or by written consent in lieu of a meeting. Such notice shall be given by certified mail, return receipt requested, or by personal delivery at the address registered with the Secretary of the Association, as it may change from time to time, or, if no such address is registered, at the address of the Lot, which notice complies with the requirements for Board meetings set forth in these Bylaws and which notice shall, except in the case of the regular meetings held pursuant to the Bylaws, set forth in reasonable particularity the agenda to be followed at said meeting.

(b) The Class "B" Member shall be given the opportunity at each such meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program which would be subject to the right of disapproval set forth herein. The Declarant, its representatives, or agents may make its concerns, thoughts, and suggestions known to the Board and/or the members of the subject committee.

(c) No action, policy, or program subject to the right of disapproval set forth herein shall become effective or be implemented until and unless the requirements of subsections (a) and (b) above have been met and the time period set forth in subsection (d) below has expired.

(d) The Class "B" Member, acting through any officer or director, agent, or authorized representative, may exercise its right to disapprove at any time within 10 days following the meeting at which such action was proposed or, in the case of any action taken by written consent in lieu of a meeting, at any time within 10 days following receipt of written notice of the proposed action. This right to disapprove may be used to block proposed actions, but shall not extend to the requiring of any action or counteraction on behalf of any committee, the Board, or the Association unless such action or counteraction countermands an action, policy, or program that was not properly noticed and implemented in accordance with these Bylaws. The Class "B" Member shall not use its right to disapprove to reduce the level of services which the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

3.20. Management. Association may, but shall not be required to, employ a professional management agent or agents at a compensation established by the Board to perform such duties and services as the Board shall authorize; provided, however, that such management agent may not be terminated by the Board unless termination is approved by at least a majority of the total Association vote. The Declarant, or an affiliate of the Declarant, may be employed as managing agent or manager. The Board may delegate to one of its members the authority to act on behalf of the Board on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board.

3.21. Accounts and Reports. The following management standards of performance shall be followed unless the Board by resolution specifically determines otherwise:

(a) accrual accounting, as defined by generally accepted accounting principles, shall be employed; provided however, that any "shortage" shall be calculated on a cash basis of accounting as provided in the Declaration;

(b) accounting and controls should conform to generally accepted accounting principles,

(c) cash accounts of the Association shall not be commingled with any other accounts;

(d) no remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; any thing of value received shall benefit the Association;

(e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board; and

(f) the following financial and related information shall be regularly prepared by the Board and copies made available to all Members of the Association at the expense of the Association:

(i) The Board shall cause a reserve budget and a Common Expense budget (collectively referred to as the "Budget") for the Association to be prepared for each fiscal year of the Association. The Board shall post written notice in a prominent place within the Property that the Budget is available at the business office of the Association or at one other suitable location within the Property. If any Member requests a copy of the Budget, the Association shall provide one copy to the Member without charge by first-class United States mail and deliver such copy within 7 days of such request.

(ii) The Board shall cause an annual report ("Financial Statement") to be prepared in accordance with generally accepted accounting principles within 120 days after close of the Association's fiscal year. The Board shall post written notice in a prominent place within the Property that the Financial Statement is available at the business office of the Association or at one other suitable location within the Property. If any Member requests a copy of the Financial Statement, the Association shall provide one copy to the Member without charge by first-class United States mail and deliver such copy within 7 days of such request. The Financial Statement shall consist of:

(A) a balance sheet as of the end of the fiscal year;

(B) an income and expense statement for the fiscal year (this statement shall include a schedule of assessments received and receivables identified by the numbers of the Lots and the names of the Owners assessed); and

(C) a statement of changes in financial position for the fiscal year.

Such Financial Statement shall be prepared on an audited, reviewed, or compiled basis, as the Board determines, by an independent public accountant.

(iii) The Board shall do the following at least quarterly:

(A) cause a current reconciliation of the Association's operating accounts to be made and review the same;

(B) cause a current reconciliation of the Association's reserve accounts to be made and review the same;

(C) review the current year's actual reserve revenues and expenses compared to the current year's Budget;

(D) review the most current account statements prepared by the financial institution where the Association has its operating and reserve accounts;

(E) review an income and expense statement for the Association's operating and reserve accounts; and

(F) review the delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report and describing the status of any action to collect such assessments which remain delinquent.

3.22. Borrowing. Association, acting through its Board, shall have the power to borrow money for any legal purpose; provided, the Board shall obtain the approval by vote or written consent of Members representing at least a majority of the total Association vote if the proposed borrowing is for the purpose of making discretionary capital improvements or purchasing additional capital assets and the total amount of such borrowing, together with all other debt incurred within the previous 12-month period, exceeds or would exceed 10% of the budgeted gross expenses of the Association for that fiscal year. During the Class "B" Control Period, no Mortgage lien shall be placed on any portion of the Common Area without the affirmative vote or written consent of at least a majority of the Members.

3.23. Rights of the Association. The Association shall have the right to contract with any Person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, and other owners or residents associations, both within and outside the Property.

3.24. Enforcement.

(a) Notice. Prior to imposition of any sanction as provided in the Declaration, the Board or, if so directed by the Board, the covenants committee, if established, or the management agent shall serve the alleged violator with written notice including (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed, (iii) a statement that the alleged violator may present a written request for a hearing to the Board or the covenants committee, if any, within 15 days of delivery of the notice; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a request for a hearing is received by the Board or the covenants committee, if any, within such time period. Proof of proper notice shall be placed in the Board's record book. Proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator requests a hearing.

If a timely request for a hearing is not received by the Board or the covenants committee, if any, the sanction stated in the notice shall be imposed; provided, the Board or the covenants committee may, but shall not be obligated to, suspend any proposed sanction if the violation is cured or if a cure is diligently commenced within the 15 day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.

(b) Hearing. If a hearing is requested within the allotted 15-day period, the hearing shall be held before the covenants committee, if any, or if none, before the Board in executive

session. The alleged violator shall be afforded a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(c) Appeal. If a hearing is held before a covenants committee, the violator shall have the right to perfect an appeal the decision to the Board. A written notice of appeal must be received by the management agent, President, or Secretary of the Association within 15 days after the hearing date.

#### Article IV OFFICERS

4.1. Officers. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. The President, Vice President, Secretary, and Treasurer shall be elected from among the members of the Board; other officers may, but need not be members of the Board. The Board may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed by the Board. Any two or more offices may be held by the same person, except the offices of President and Secretary.

4.2. Election and Term of Office. The officers of the Association shall be elected annually by the Board at the first meeting of the Board following each annual meeting of the Members.

4.3. Removal and Vacancies. Any officer may be removed by the Board whenever in its judgment the best interests of the Association will be served thereby. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board for the unexpired portion of the term.

4.4. Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may specifically be conferred or imposed by the Board. The President shall be the chief executive officer of the Association. The Vice President shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting. The Secretary shall keep the minutes of all meetings of the Association and the Board and shall have charge of such books and papers as the Board may direct. In the Secretary's absence, any officer directed by the Board shall perform all duties incident to the office of secretary. The Treasurer shall have primary responsibility for the preparation of the Budget as provided for in the Declaration and these Bylaws and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

4.5. Resignation. 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 the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4.6. Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the Association (other than for the withdrawal of



reserve funds) shall be executed by at least two officers or by such other person or persons as may be designated by resolution of the Board.

4.7. Compensation. Compensation of officers shall be subject to the same limitations as compensation of directors under Section 3.12 hereof.

Article V  
COMMITTEES

5.1. General. The Board may establish such committees as it deems appropriate to perform such tasks and functions as the Board may designate by resolution. Committee members serve at the Board's discretion for such periods as the Board may designate by resolution; provided, however, any committee member, including the committee chair, may be removed by the vote of a majority of the directors.

5.2. Covenants Committee. In addition to any other committees which the Board may establish pursuant to Section 5.1, the Board may appoint a covenants committee consisting of at least three and no more than seven members. Acting in accordance with the provisions of the Declaration, these Bylaws, and resolutions the Board may adopt, the covenants committee, if established, shall be the hearing tribunal of the Association and shall conduct all hearings held pursuant to Section 3.24 of these Bylaws. The Board may also appoint a subcommittee consisting of at least three and no more than seven members to function as the jury or trier of facts for all hearings held pursuant to Section 3.24.

5.3. Landscape Committee. In addition to any other committees appointed as provided above, the Board may appoint a landscape committee to advise the Board with respect to the determination and implementation of standards for landscaping, exterior decoration, beautification, and trash collection and removal in the Areas of Common Responsibility, and to take such actions with respect to the foregoing as the Board may direct.

5.4. Membership/Social Committee. In addition to any other committees appointed as provided above, the Board may appoint a membership/social committee to advise the Board with respect to the membership and social activities of the Association, including, without limitation, maintenance and distribution of a current roster of Members and any newsletter of the Association, the welcoming of new Members, holiday and other social events, dues or charges to fund social activities, and to take such actions with respect to the foregoing as the Board may direct.

Article VI  
MISCELLANEOUS

6.1. Fiscal Year. The fiscal year of the Association shall be the calendar year unless otherwise established by Board resolution.

6.2. Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Oklahoma law, the Certificate, the Declaration, or these Bylaws.

6.3. Conflicts. If there are conflicts between the provisions of Oklahoma law, the Certificate, the Declaration, and these Bylaws, the provisions of Oklahoma law, the Declaration, the Certificate, and the Bylaws (in that order) shall prevail, and to that end, the provisions of the Declaration are incorporated herein by reference.

6.4. Books and Records.

(a) Inspection by Members and Mortgagees. The Board shall make available for inspection and copying by any holder, insurer, or guarantor of a first Mortgage on a Lot, any Member, or the duly appointed representative of any of the foregoing at any reasonable time and for a purpose reasonably related to his or her interest in a Lot: the Declaration, Bylaws, and Certificate, any amendments to the foregoing, the rules of the Association, the membership register, the most recent Financial Statement, the current Budget, books of account, and the minutes of meetings of the Members, the Board, and committees. The Board shall provide for such inspection to take place at the office of the Association or at such other place within the Property as the Board shall designate.

(b) Rules for Inspection. The Board shall establish reasonable rules with respect to:

- (i) notice to be given to the custodian of the records;
- (ii) hours and days of the week when such an inspection may be made; and
- (iii) payment of the cost of reproducing copies of documents requested.

(c) Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make a copy of relevant documents at the expense of the Association in furtherance of such director's duties as a director.

6.5. Notices. Unless otherwise provided in these Bylaws, all notices, demands, bills, statements, or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first class postage prepaid:

(a) if to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot of such Member; or

(b) the Association, the Board, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

6.6. Indemnification. The Association shall indemnify every officer, director, and committee member against all expenses, including counsel fees, reasonably incurred by them and each of them in connection with any action, suit, or other proceeding (including settlement of

any suit or proceeding, if approved by the then Board) to which he or she may be a party by reason of being or having been an officer, director, or committee member of the Association.

The officers, directors, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association. The Association shall indemnify, defend and forever hold each such officer, director, and committee member harmless from any and all liability to others on account of any such contract, commitment, or action. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

6.7. Amendment.

(a) By Declarant. Until termination of the Class "B" membership, Declarant may unilaterally amend these Bylaws for any purpose. Thereafter, so long as Declarant owns any Lot, the Declarant may unilaterally amend these Bylaws if such amendment is (i) necessary to bring any provision hereof into compliance with any applicable governmental statutes, rule, regulation, or judicial determination; (ii) necessary to enable any reputable title insurance company to issue title insurance coverage on the Lots; (iii) required by an institutional or governmental lender or purchaser of Mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase Mortgage loans on the Lots; (iv) necessary to enable any governmental agency or reputable private insurance company to guarantee or insure Mortgage loans on the Lots; or (v) otherwise necessary to satisfy the requirements of any governmental agency for approval of these Bylaws. However, any such amendment shall not adversely affect the title to any Lot unless the affected Owner(s) shall consent thereto in writing. In addition, so long as the Declarant owns any portion of the Property, it may unilaterally amend these Bylaws for any other purpose provided that the amendment has no material adverse effect on any right of any Owner. Thereafter and otherwise, these Bylaws may be amended in accordance with Section 6.7(b).

(b) By Board. Except as provided above, these Bylaws may be amended only by resolution duly adopted by the Board and with the consent of the Declarant, so long as the Declarant owns any portion of the Property.

Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(c) Validity and Effective Date of Amendments. Amendments to these Bylaws shall become effective upon recordation in the Official Records unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six months of

its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these Bylaws.

If an Owner consents to any amendment to the Declaration or these Bylaws, it will be conclusively presumed that such Owner has the authority to do so, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

Notwithstanding any provision herein to the contrary, no amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant or the assignee of such right or privilege for as long as the Declarant owns any portion of the Property.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting President of the Association;

That the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board thereof held on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: President of Deer Creek Village  
Community Association, Inc.

Attest: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Treasurer of Deer Creek Village  
Community Association, Inc.